

**DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME	MAKAHA OCEANVIEW ESTATES (Phase 2, Increment 2) (Phase 2, Increment 2 - Report covers 60 of 76 Units)
Project Address	84-575 Kili Drive Waianae, Hawaii 96792
Registration Number	7347
Effective Date of Report	March 14, 2013
Developer(s)	MAKAHA OCEANVIEW ESTATES, LLC, a Hawaii limited liability company

Preparation of this Report

The Developer prepared this report to disclose relevant information, including "material facts", that are reasonably known to the Developer about the condominium project covered by this report. This report has been prepared pursuant to the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, as amended from time to time. The law defines "material facts" to mean "any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale."

This report has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts or all pertinent changes, or both, about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

This report may be used by the Developer for promotional purposes only if it is used in its entirety. No person shall advertise or represent that the Commission has approved or recommended the project, this report or any of the documents submitted with Developer's application for registration of this project.

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, including any omitted material facts, together with such supporting information as may be required by the Commission. In addition, the Developer may choose at any time to change or update the information in this report. Annually, at least thirty days prior to the anniversary date of the Effective Date of this report, the Developer shall file an annual report to update the material contained in this report. If there are no changes, the Developer is required to state that there are no changes. The Developer's obligation to amend this report or to file annual reports ends when the initial sales of all units in the project have been completed.

Purchasers are encouraged to read this report carefully and to seek professional advice before signing a sales contract for the purchase of a unit in the project.

Signing a sales contract may legally bind a purchaser to purchase a unit in the project, though a purchaser may have rights to cancel or rescind a sales contract under particular circumstances that may arise.

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

SPECIAL ATTENTION

[Use this page for special or significant matters which should be brought to the purchaser's attention and that are not covered elsewhere in this report.]

MAKAHA OCEANVIEW ESTATES (the "Project") originally consisted of 22 "Residential Units" (situated in the converted 2-story and 3-story apartment buildings) and 1 "Development Unit" for a total of 23 condominium units. Developer's predecessor-in-interest later converted the Development Unit into 46 spatial units identified as the "Duplex Units", subject to further subdivision into up to 105 "Single Units". The Residential Units are part of that portion of the Project known as "Phase 1" and the Development Unit, as converted into spatial units, is part of that portion of the Project known as "Phase 2". The 22 Residential Units are covered by Registration No. 6311 and have all been sold to the public.

Developer subsequently acquired the Development Unit, or Phase 2, and converted the 46 spatial Duplex Units into 76 spatial Single Units. Accordingly, the entire Project as described in the Declaration currently contains a total of 98 condominium units. Of these 98 condominium units, 22 units are the existing "Residential Units" within Phase 1 of the Project, and 76 units are the spatial Single Units within Phase 2 of the Project. The terms "Unit" and "Units" refer to both Residential Units and Single Units in the Project.

With respect to the 76 Single Units in Phase 2 of the Project, Developer intends to develop Phase 2 in two phases (or increments) and replace each of the spatial Single Units with a physical residential dwelling structure as more particularly described in the Declaration. Furthermore, Developer has reserved the right to increase or decrease the number of Single Units within Phase 2 (and the corresponding common interest for each Single Unit in Phase 2); provided, however, that the total number of Single Units in Phase 2 shall not exceed 105 Units.

Developer, for registration purposes, will separate the total number of Units in Phase 2 of the Project into two increments ("Increments") covered by two separate Public Reports in order to accommodate changing construction and/or marketing strategies. The first 16 of the 76 Single Units in Phase 2 of the Project (Increment 1) are covered by Registration No. 7248. The 16 Single Units in Increment 1 covered by Registration No. 7248 are: Units 3, 5, 6, 7, 37, 38, 39, 40, 41, 42, 43, 44, 47, 74, 75, and 76.

This Public Report for Increment 2 covers the remaining 60 Single Units in Phase 2 of the Project. The following Single Units are included in Increment 2 and are covered by this Public Report: Units 1, 2, 4, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 45, 46, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, and 73.

Although separate Public Reports will be filed and issued for each Increment in Phase 2 of the Project, all 76 Single Units (or the increased or reduced number actually developed), together with the 22 Residential Units, shall legally comprise a single condominium project on the land described in Section 1.1. In other words, the act of separating the various Units in Phase 2 into two different Increments does not create a separate and distinct condominium project, but only creates separate "projects" for Public Report registration purposes. Each Increment within Phase 2 is not a separately owned or administered condominium project, but shall be considered as one condominium project. Accordingly, the Project, and all of the Units included therein, is subject to one Declaration, one set of Bylaws, and one Condominium Map. However, because of the different nature of the Units in Phase 1 and the Units in Phase 2, Phase 1 and Phase 2 are at the present time covered by two different sets of House Rules.

In addition to the foregoing, pursuant to the Declaration and Bylaws of the Project, all owners of Units in the Project, which, as stated above, include both the Residential Units and the Single Units, shall constitute the Association of Unit Owners of Makaha Oceanview Estates (the "Association"). The Association shall be comprised of two (2) Unit Classes whereby all owners of the Residential Units shall be members of the Residential Unit Class and all owners of the Single Units shall be members of the Single Unit Class. In addition to a common interest in the common elements of the Project, each Unit shall have assigned to it a Class Common Interest based upon the Unit Class to which such Unit belongs. All common profits and expenses of operating the Residential Units, and all common profits and expenses of operating the Single Units, and the respective limited common elements appurtenant to such Units, shall be allocated amongst the Units on the basis of their respective Class Common Interests. All owners of Units in a Unit Class shall have the right to vote such owner's Class Common Interest with respect to matters requiring voting by Unit Class, and each Unit in a Unit Class shall be responsible for its proportionate share of all Class Common Expenses of the Project, if any.

At present, Developer intends to develop and sell the Single Units in Phase 2 of the Project in two (2) Increments and to complete those two Increments in the Project. Developer also intends to complete construction of the applicable Common Elements as each Increment is completed and, as a result, the Common Elements will not all be completed at the same time. Therefore, certain Common Elements may not be completed and available for Buyer's use until after Buyer closes on Buyer's Unit and for a period of time thereafter.

Until replaced with a physical residential dwelling structure, the Single Units in Phase 2 are "spatial units" and consist of the air space within the boundaries of the Buildable Areas shown on the Condominium Map, which space is enclosed by (i) the ground of the Buildable Area, (ii) the imaginary horizontal plane above the surface of the ground as allowed under the Land Use Ordinance, Chapter 21, Revised Ordinances of Honolulu (1990) of the City and County of Honolulu ("LUO"), and (iii) the imaginary vertical planes along the perimeter of such Buildable Area. Developer will determine which type of dwelling will be constructed for each Single Units based on certain models as more particularly described in Exhibit A attached hereto. However, the types of models may change.

Each Single Unit will be serviced by electricity, water, and sewer. It is intended that utilities will be separately metered or submetered. Each owner of a Single Unit will be responsible for the maintenance, repair, and upkeep of his own dwelling, landscaping, private yard area, and driveway.

This is a CONDOMINIUM PROJECT and not a subdivision. The land area beneath and immediately appurtenant to each unit in Phase 2 is designated as a LIMITED COMMON ELEMENT and is not a legally subdivided lot. The dash lines on the Condominium Map bounding the designated number of square feet within each limited common element land area are for illustrative purposes only, and should in no way be construed to be the property lines of legally subdivided lots.

The Condominium Map (8 1/2 x 11) has NOT been provided to Purchaser. Pursuant to Section 514B-86(a)(1)A of the Act, Developer advises Purchaser that it is impractical for legibility reasons to provide Purchaser with a letter-sized Condominium Map. Accordingly, a prospective purchaser shall have the opportunity to examine the Condominium Map upon request.

This Public Report does not constitute approval of the Project by the Real Estate Commission, or any other governmental agency.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

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General Information On Condominiums

A condominium is a special form of ownership of real property. To create a condominium in Hawaii after July 1, 2006, the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, must be followed. In addition, certain requirements and approvals of the county in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land and/or the building(s) and other improvements are leased to the purchaser. The lease for the land usually requires that at the end of the lease term, the lessees (unit owners) deliver their interest in the land to the lessor (fee property owner).

If you are a typical condominium unit owner, you will have two kinds of ownership: (1) ownership in your individual unit; and (2) a percentage interest in the common elements.

You will be entitled to exclusive ownership and possession of your unit. Subject to the documents governing them, condominium units may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift or operation of law.

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are being concurrently delivered to you with this report. These documents contain important information on the use and occupancy of the units and the common elements of the project, as well as the rules and regulations of conduct for unit owners, tenants and guests.

Operation of the Condominium Project

The Association of Unit Owners is the entity through which unit owners may take action with regard to the administration, management and operation of the condominium project. Each unit owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as a unit owner. The Board and officers can take certain actions without the vote of the unit owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, adopt budgets for revenues, expenses and reserves and regulate the use, maintenance, repair and replacement of common elements. Some of these actions may significantly impact the unit owners.

Until there is a sufficient number of purchasers of units to elect a majority of the Board, it is likely at first that the Developer will effectively control the affairs of the Association. It is frequently necessary for the Developer to do so during the early stages of development and the Developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective purchasers should understand that it is important to all unit owners that the transition of control from the Developer to the unit owners be accomplished in an orderly manner and in a spirit of cooperation.

1. THE CONDOMINIUM PROJECT

1.1 The Underlying Land

Fee Simple or Leasehold Project	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner	
Address of Project	84-575 Kili Drive Waianae, Hawaii 96792
Address of Project is expected to change because	Not expected to change
Tax Map Key (TMK)	(1) 8-4-002-064
Tax Map Key is expected to change because	The City and County of Honolulu will assign CPR numbers for each unit in Phase 2
Land Area	13.530 acres
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	N/A

1.2 Buildings and Other Improvements

Number of Buildings	0 (60 spatial units - Increment 2)
Floors Per Building	0
Number of New Building(s)	0
Number of Converted Building(s)	0
Principle Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	N/A

1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc)	Total Area
Spatial	60	N/A	N/A	See Ex. A		See Ex. A
See Exhibit <u> A </u>						

60	Total Number of Units
----	------------------------------

Note: Net Living Area is the floor area of the unit measured from the interior surface of the perimeter walls of the unit. Other documents and maps may give floor area figures that differ from those above because a different method of determining floor area may have been used.

1.4 Parking Stalls

Total Parking Stall in the Project:	See * below
Number of Guest Stalls in the Project:	7
Number of Parking Stalls Assigned to Each Unit:	N/A
Attach Exhibit _____ specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights. * Parking stalls for the Single Units will be constructed in connection with the construction of the residential dwelling structures. Each Single Unit, when replaced with a residential dwelling structure, will have parking for two (2) cars in a garage, carport, or open parking area.	

1.5 Boundaries of the Units

Boundaries of the unit: See Exhibit B.

1.6 Permitted Alterations to the Units

Permitted alterations to the unit (if the unit is defined as a non-physical or spatial portion of the project, also describe what can be built within such portion of the project): See Exhibit C.

1.7 Common Interest

<u>Common Interest</u> : Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by unit owners. The common interest for each unit in this project, as described in Declaration, is:
Described in Exhibit <u> A* </u> .
As follows: *See page 18

1.8 Recreational and Other Common Facilities (Check if applicable):

<input type="checkbox"/>	Swimming pool
<input type="checkbox"/>	Laundry Area
<input type="checkbox"/>	Storage Area
<input type="checkbox"/>	Tennis Court
<input checked="" type="checkbox"/>	Recreation Area
<input type="checkbox"/>	Trash Chute/Enclosure(s)
<input type="checkbox"/>	Exercise Room
<input checked="" type="checkbox"/>	Security Gate
<input type="checkbox"/>	Playground
<input checked="" type="checkbox"/>	Other (describe): Driveway

1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.

Described in Exhibit D .

Described as follows:

Common Element	Number
Elevators	None
Stairways	None
Trash Chutes	None

1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.

Described in Exhibit E* .

Described as follows:

* Land areas referenced herein are NOT legally subdivided lots.

1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.

<input checked="" type="checkbox"/>	Pets: Pets are allowed in the Project in accordance with the House Rules. See page 18d.
<input type="checkbox"/>	Number of Occupants:
<input type="checkbox"/>	Other:
<input type="checkbox"/>	There are no special use restrictions.

1.12 Encumbrances Against Title

An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).

Exhibit F describes the encumbrances against title contained in the title report described below.

Date of the title report: December 26, 2012

Company that issued the title report: Title Guaranty of Hawaii, Inc.

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning					
	Type of Use	No. of Units	Use Permitted by Zoning		Zoning
<input checked="" type="checkbox"/>	Residential		<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	A -2
<input type="checkbox"/>	Commercial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Mix Residential/Commercial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Hotel		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Timeshare		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Ohana		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Industrial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Agricultural		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Recreational		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input checked="" type="checkbox"/>	Other (Specify): spatial	60	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	A-2
Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Variances to zoning code have been granted.			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Describe any variances that have been granted to zoning code			N/A		

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots			
<p>In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.</p> <p>If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.</p> <p>A purchaser may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure or lot.</p>			
	Conforming	Non-Conforming	Illegal
Uses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Structures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lot	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed:</p>			

1.15 Conversions

<p>Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.</p>	<p><input type="checkbox"/> Applicable</p> <p><input checked="" type="checkbox"/> Not Applicable</p>
<p>Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units:</p>	
<p>Developer's statement of the expected useful life of each item reported above:</p>	
<p>List of any outstanding notices of uncured violations of any building code or other county regulations:</p>	
<p>Estimated cost of curing any violations described above:</p>	

<p>Verified Statement from a County Official</p>	
<p>Regarding any converted structures in the project, attached as Exhibit ____ is a verified statement signed by an appropriate county official which states that either:</p>	
<p>(A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable:</p> <ul style="list-style-type: none"> (i) Any variances or other permits that have been granted to achieve compliance; (ii) Whether the project contains any legal non-conforming uses or structures as a result of the adoption or amendment of any ordinances or codes; and (iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure into compliance; <p style="text-align: center;">or</p> <p>(B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.</p>	
<p>Other disclosures and information:</p>	

1.16 Project In Agricultural District

<p>Is the project in an agricultural district as designated by the land use laws of the State of Hawaii? If answer is "Yes", provide information below.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the answer is "No", provide explanation.</p>	
<p>Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.</p>	
<p>Other disclosures and information:</p>	

1.17 Project with Assisted Living Facility

<p>Does the project contain any assisted living facility units subject to Section 321-11(10), HRS? If answer is "Yes", complete information below.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Licensing requirements and the impact of the requirements on the costs, operations, management and governance of the project.</p>	
<p>The nature and the scope of services to be provided.</p>	
<p>Additional costs, directly attributable to the services, to be included in the association's common expenses.</p>	
<p>The duration of the provision of the services.</p>	
<p>Other possible impacts on the project resulting from the provision of the services.</p>	
<p>Other disclosures and information.</p>	

2. PERSONS CONNECTED WITH THE PROJECT

2.1 Developer(s)	<p>Name: MAKAHA OCEANVIEW ESTATES, LLC</p> <p>Business Address: P.O. Box 1724 Novato, California 94948</p> <p>Business Phone Number : (415) 893-9005</p> <p>E-mail Address:</p>
<p>Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).</p>	<p>K&C INVESTMENTS INC., its Member</p> <p>Mark A. Kramer, President</p> <p>Michael T. Caldwell, Vice President and Treasurer</p> <p>Gia Kramer, Vice President and Secretary</p>
2.2 Real Estate Broker	<p>Name: East Oahu Realty, Inc.</p> <p>Business Address: 6600 Kalaniana'ole Hwy., Suite 114 Honolulu, Hawaii 96825-1280</p> <p>Business Phone Number: (808) 396-2000 x368</p> <p>E-mail Address: suzanne.yen@eastoahu.com</p>
2.3 Escrow Depository	<p>Name: Title Guaranty Escrow Services, Inc.</p> <p>Business Address: 235 Queen Street, 1st Floor Honolulu, Hawaii 96813</p> <p>Business Phone Number: (808) 521-0211</p>
2.4 General Contractor	<p>Name: Kazu Construction LLC</p> <p>Business Address: P. O. Box 629 Waianae, Hawaii 96792</p> <p>Business Phone Number: (808) 258-8946</p>
2.5 Condominium Managing Agent	<p>Name: Hawaiiana Management Company, Ltd.</p> <p>Business Address: 711 Kapiolani Boulevard, 7th Floor Honolulu, Hawaii 96813</p> <p>Business Phone Number: (808) 593-9100</p>
2.6 Attorney for Developer	<p>Name: Anders G. O. Nervell, Esq. (Clay Chapman et al.)</p> <p>Business Address: 700 Bishop Street, Suite 2100 Honolulu, Hawaii 96813</p> <p>Business Phone Number: (808) 535-8400</p>

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	June 13, 2006	3446067

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
See page 10a		

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	June 13, 2006	3446068

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	April 17, 2007	3590064
Land Court	August 29, 2007	3654273
Land Court	May 31, 2012	T-8214272

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	1822
Bureau of Conveyances Map Number	
Dates of Recordation of Amendments to the Condominium Map: April 18, 2007, June 28, 2012, and March 12, 2013	

3.1 Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	April 11, 2007	3590063
Land Court	August 29, 2007	3654272
Land Court	October 10, 2007	3666794
Land Court	October 26, 2007	3677645
Land Court	November 9, 2007	3691673
Land Court	February 6, 2008	3709242
Land Court	August 11, 2009	3898897
Land Court	December 15, 2011	T-8025268
Land Court	May 31, 2012	T-8214270
Land Court	February 11, 2013	T-8471168

3.4 House Rules

The Board of Directors may adopt rules and regulations (commonly called "House Rules") to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the Developer. Changes to House Rules do not need to be recorded to be effective.

The House Rules for this project:

Are Proposed	<input type="checkbox"/>	
Have Been Adopted and Date of Adoption	<input checked="" type="checkbox"/>	June 15, 2012 (Single Units)
Developer does not plan to adopt House Rules	<input type="checkbox"/>	

3.5 Changes to the Condominium Documents

Changes to Condominium Documents: Changes to the Declaration, Bylaws and Condominium Map are effective only if they are duly adopted and recorded. Where permitted, the minimum percentages of the common interest that must vote for or give written consent to changes to the Declaration, Bylaws and Condominium Map are set forth below. The percentages for any individual condominium project may be more than the minimum set by law if the Declaration or Bylaws for the project so provide.

Document	Minimum Set by Law	This Condominium
Declaration	67%	67%
Bylaws	67%	67%

3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents

<input type="checkbox"/>	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
<input checked="" type="checkbox"/>	<p>Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House Rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows:</p> <p>Developer has reserved the following rights:</p> <p>See Exhibit G</p>

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

The initial Condominium Managing Agent for this project is (check one):

<input checked="" type="checkbox"/>	Not affiliated with the Developer
<input type="checkbox"/>	None (self-managed by the Association)
<input type="checkbox"/>	The Developer or an affiliate of the Developer
<input type="checkbox"/>	Other (explain)

4.2 Estimate of the Initial Maintenance Fees

Estimate of the Initial Maintenance Fees: The Association will make assessments against your unit to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your unit and the unit may be sold through a foreclosure proceeding. Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibit H contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses.

4.3 Utility Charges to be Included in the Maintenance Fee

If checked, the following utilities are included in the maintenance fee:	
<input checked="" type="checkbox"/>	Electricity for the common elements
<input type="checkbox"/>	Gas for the common elements
<input type="checkbox"/>	Water
<input type="checkbox"/>	Sewer
<input type="checkbox"/>	TV Cable
<input checked="" type="checkbox"/>	Other (specify) Water for common area landscaping

4.4 Utilities to be Separately Billed to Unit Owner

If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:

<input checked="" type="checkbox"/>	Electricity for the Unit only
<input type="checkbox"/>	Gas for the Unit only
<input checked="" type="checkbox"/>	Water
<input checked="" type="checkbox"/>	Sewer
<input checked="" type="checkbox"/>	TV Cable
<input checked="" type="checkbox"/>	Other (specify) telephone and internet

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit <u> I </u> contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: May 29, 2012 Name of Escrow Company: Title Guaranty Escrow Services, Inc. Exhibit <u> J </u> contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	Other:

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants.

<input checked="" type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit <u> </u> .
<input checked="" type="checkbox"/>	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

<input checked="" type="checkbox"/>	There are <u>no blanket liens</u> affecting title to the individual units.
<input type="checkbox"/>	There are <u>blanket liens</u> that may affect title to the individual units.

<u>Type of Lien</u>	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance

5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below:

Building and Other Improvements:

See page 18a.

Appliances:

See page 18a.

5.5 Status of Construction, Date of Completion or Estimated Date of Completion

<p>Status of Construction: Developer anticipates construction on the Units in Increment 2 to commence in April, 2013.</p>
<p>Completion Deadline: If a sales contract for a unit is signed before the construction of the unit has been completed, or, in the case of a conversion, completion of any repairs, does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.</p>
<p>Completion Deadline for any unit not yet constructed, as set forth in the sales contract: Not to be more than two (2) years from the effective date of the sales contract.</p>
<p>Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract: N/A</p>

5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance

The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if Developer has met certain requirements, which are described below.

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance

<input checked="" type="checkbox"/>	<p>The Developer hereby declares by checking the box to the left that it shall use its own funds to complete the construction of the condominium project by the date indicated in Section 5.5 of this report, and the Developer, pursuant to its own analysis and calculations, certifies that it has sufficient funds to complete the construction of the condominium project.</p> <p><i>If this box is checked, Section 5.6.2, which follows below, will not be applicable to the project.</i></p>
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5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

<p>Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):</p>	
<input type="checkbox"/>	<p>For new construction: to pay for project construction costs described in the Developer's budget and approved by the Developer's lender or an otherwise qualified, financially disinterested person; or</p>
<input type="checkbox"/>	<p>For conversions: to pay for repairs necessary to cure violations of county zoning and building ordinances and codes, for architectural, engineering, finance and legal fees, and for other incidental expenses.</p>

In connection with the use of purchaser deposits (check Box A or Box B):

<p>Box A</p> <p><input type="checkbox"/></p>	<p>The Developer has submitted all information and documents required by law and the Commission prior to the disbursement of purchaser deposits before closing. This means that the Developer may use such deposits before closing. If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>If Box A is checked, you should read and carefully consider the following notice, which is required by law:</p> <p><u>Important Notice Regarding Your Deposits:</u> Deposits that you make under your sales contract for the purchase of the unit may be disbursed before closing of your purchase to pay for project costs, construction costs, project architectural, engineering, finance, and legal fees, and other incidental expenses of the project. While the developer has submitted satisfactory evidence that the project should be completed, it is possible that the project may not be completed. If your deposits are disbursed to pay project costs and the project is not completed, there is a risk that your deposits will not be refunded to you. You should carefully consider this risk in deciding whether to proceed with your purchase.</p>
<p>Box B</p> <p><input type="checkbox"/></p>	<p>The Developer has <u>not</u> submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits.</p> <p>If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the <u>Important Notice Regarding Your Deposits</u> set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, <u>you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.</u> (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>You should understand that, although the <u>Important Notice Regarding Your Deposits</u> set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.</p>

Material House Bond. If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.

5.7 Rights Under the Sales Contract

Before signing the sales contract, prospective purchasers should carefully review all documents relating to the project. These include but are not limited to the documents listed below. Items 2, 3 and 4 are made a part of this public report, as well as Item 5, if any, and are being delivered to you with this report.

1.	Developer's Public Report
2.	Declaration of Condominium Property Regime (and any amendments)
3.	Bylaws of the Association of Unit Owners (and any amendments)
4.	Condominium Map (and any amendments)
5.	House Rules, if any
6.	Escrow Agreement
7.	Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted.
8.	Other:

Copies of the condominium and sales documents and amendments made by the Developer are available for review through the Developer or through the Developer's sales agent, if any. The Condominium Property Regime law (Chapter 514B, HRS) and the Administrative Rules (Chapter 107, HAR), are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov

Website to access rules: www.hawaii.gov/dcca/har

5.8 Purchaser's Right to Cancel or Rescind a Sales Contract

A purchaser's right to cancel a sales contract or to rescind a sales contract may arise under varying circumstances. In the sections below, some circumstances that will give rise to a purchaser's right to cancel or rescind are described, together with what a purchaser must do if the purchaser wishes to exercise any of the rights.

5.8.1 When a Sales Contract becomes Binding and Purchaser's 30-Day Right to Cancel a Sales Contract

A sales contract signed by a purchaser and the developer will not become binding on a purchaser or the Developer until the following events have taken place:

(1) The purchaser has signed the sales contract.

(2) The Developer has delivered to the purchaser a true copy of the developer's public report with an effective date issued by the Commission, together with all amendments to the report as of the date of delivery, and the project's recorded Declaration and Bylaws, House Rules (if any), the Condominium Map and any amendments to them to date (all of which are a part of the developer's public report). If it is impracticable to include a letter-sized Condominium Map, the Developer must provide written notice of an opportunity to examine the Condominium Map.

(3) The Developer has delivered to the purchaser a notice of the purchaser's 30-day cancellation right on a form prescribed by the Commission.

(4) The purchaser does at least one of the following:

(a) Waives the purchaser's right to cancel the sales contract within 30 days from receipt of the notice of the purchaser's 30-day cancellation right; or

(b) Allows the 30-day cancellation period to expire without exercising the right to cancel; or

(c) Closes the purchase of the unit before the 30-day cancellation period expires.

The purchaser or the Developer may cancel the sales contract at any time during the 30-day cancellation period, and the sales contract will be canceled and the purchaser's deposits returned to the purchaser, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.

5.8.2 Right to Cancel a Sales Contract if Completion Deadline Is Missed

In addition to the purchaser's 30-day cancellation right described in Section 5.8.1 above, when a sales contract is signed before completion of construction of a project, the purchaser will have the right to cancel if the unit is not completed by certain deadlines. In conversion projects, there must be a deadline for completion of any required repairs. Every sales contract shall contain an agreement of the Developer that the completion of construction shall occur on or before the completion deadline, and that completion deadline is set forth in this report in Section 5.5. The sales contract shall provide that the purchaser may cancel the sales contract at any time after the specified completion deadline, if completion of construction does not occur on or before the completion deadline, as the same may have been extended. Upon a cancellation, the purchaser's deposits shall be refunded, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.00.

5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change

If a "material change" in a project occurs after a purchaser has signed a sales contract that has become binding, the purchaser will have a 30-day right to rescind after notification and description of the material change. A material change is defined in the Condominium Property Act to be any change that "directly, substantially and adversely affects the use or value of (1) a purchaser's unit or appurtenant limited common elements; or (2) those amenities of the project available for the purchaser's use."

The purchaser will be informed of the material change by the developer on a form prescribed by the Commission containing a description of the material change.

After notice of the material change, the purchaser may waive the right to rescind by:

- (1) Checking the waiver box on the rescission form; or
- (2) Letting the 30-day rescission period expire, without taking any action to rescind; or
- (3) Closing the purchase of the unit before the 30-day rescission period expires.

The rescission form must be signed by all purchasers of the affected unit and delivered to the developer no later than midnight of the 30th calendar day after the purchasers received the rescission form from the developer. Purchasers who validly exercise the right of rescission shall be entitled to a prompt and full refund of any moneys paid.

A rescission right shall not apply in the event of any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the project's Declaration.

These provisions shall not preclude a purchaser from exercising any rescission rights pursuant to a contract for the sale of a unit or any applicable common law remedies.

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

1. NOT A SUBDIVISION. This is a condominium project which should not be confused with a subdivision. A purchaser of a Unit will be conveyed a condominium unit together with an "undivided" interest in the common elements of the Project. The entire parcel of land upon which the Project is situated is designated as a common element. That portion of the common element which each purchaser has the exclusive right to use is called a limited common element or area, but is not a separate, legally subdivided lot.

2. SPATIAL UNITS. Until replaced with a physical residential dwelling structure, the Single Units in Phase 2 are "spatial units" and consist of the air space within the boundaries of the Buildable Areas shown on the Condominium Map, which space is enclosed by (i) the ground of the Buildable Area, (ii) the imaginary horizontal plane above the surface of the ground as allowed under the Land Use Ordinance, Chapter 21, Revised Ordinances of Honolulu (1990) of the City and County of Honolulu ("LUO"), and (iii) the imaginary vertical planes along the perimeter of such Buildable Area. Developer will determine which type of dwelling will be constructed for each Single Units based on certain models as more particularly described in Exhibit A attached hereto. However, the types of models may change.

3. COMMON INTEREST; SINGLE UNIT CLASS COMMON INTEREST. Each of the Single Units shall have appurtenant thereto an undivided percentage interest ("Common Interest") in the common elements of the Project and in all common profits and expenses of the Project and for all other purposes with respect to Association matters, including, without limitation, voting as set forth in the column entitled "Common Interest % Entire Project" on Exhibit A. In addition to the Common Interest, each Single Unit shall also have assigned to it, for administrative purposes, a Single Unit Class Common Interest as set forth in the column entitled "Single Unit % Common Interest (Phase 2 Only)" on Exhibit A. All charges, costs and expenses incurred for or in connection with the administration of Phase 2 shall constitute Single Unit Class Common Expenses and be allocated amongst the Single Unit Class members on the basis of the Single Unit Class Common Interests, and all Single Unit owners shall be responsible for their proportionate share of all Single Unit Class Common Expenses. Members of the Residential Unit Class shall not be responsible for, nor have the ability to vote upon, any matters concerning solely the Single Unit Class. Members of the Single Unit Class shall each be solely responsible for any profits, costs or expenses associated with their respective Single Unit and Single Unit Limited Common Elements, including, without limitation, electricity, water, sewer, refuse collection, all property and liability insurance on their Single Units, Single Unit Limited Common Elements and improvements thereon, all pest control and all maintenance within such Single Units and Single Unit Limited Common Elements, including landscaping maintenance.

4. GENERAL CONTRACTOR'S LIMITED WARRANTY; NO OTHER WARRANTIES. There are no warranties, express or implied, being made by Developer. Sales are "as-is". The general contractor will provide a one-year warranty, commencing upon the "Date of Completion" (as defined in Section 507-43, Hawaii Revised Statutes, as amended), that (a) the materials and equipment furnished for construction of the Project will be of good quality and new, unless the construction contract requires or permits that the material be otherwise; and (b) the construction and services required by the construction contract (including all labor, materials and equipment to be provided by the general contractor) will be free from defects, except for defects inherent in the quality of the construction and services required or permitted by the construction contract. Without incurring any legal liability, Developer will agree to cooperate with Purchaser to try to have the general contractor perform all of the general contractor's warranties. Developer intends to transfer to Purchaser, without warranty, any manufacturer's or dealer's warranties that are transferable and cover appliances sold with the Unit.

CHAPTER 672E OF THE HAWAII REVISED STATUTES CONTAINS IMPORTANT REQUIREMENTS PURCHASER MUST FOLLOW BEFORE PURCHASER MAY FILE A LAWSUIT OR OTHER ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE CONTRACTOR WHO DESIGNED, REPAIRED, OR CONSTRUCTED PURCHASER'S UNIT. NINETY (90) CALENDAR DAYS BEFORE PURCHASER FILES PURCHASER'S LAWSUIT OR OTHER ACTION, PURCHASER MUST SERVE ON THE CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS PURCHASER ALLEGES ARE DEFECTIVE. UNDER THE LAW, A CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR AND/OR PAY FOR THE DEFECTS. PURCHASER IS NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY A CONTRACTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THE LAW, AND FAILURE TO FOLLOW THEM MAY NEGATIVELY AFFECT PURCHASER'S ABILITY TO FILE A LAWSUIT OR OTHER ACTION.

5. DISCLOSURE REGARDING "AS-IS" SALE. Except as provided by the General Contractor's Limited Warranty, the Single Unit and the Single Unit Limited Common Element Land Area appurtenant thereto will be sold "AS IS, WHERE IS" WITH ALL FAULTS AND DEVELOPER MAKES NO WARRANTIES OR PROMISES OF ANY KIND, EXPRESS OR IMPLIED, ABOUT THE SINGLE UNIT, THE SINGLE UNIT LIMITED COMMON ELEMENT LAND AREA, THE PROPERTY OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT), OR ABOUT ANY FURNISHINGS, FIXTURES OR ANYTHING ELSE INSTALLED, ATTACHED, AFFIXED OR OTHERWISE CONTAINED IN THE SINGLE UNIT, THE SINGLE UNIT LIMITED COMMON ELEMENT LAND AREA, THE PROPERTY OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT), INCLUDING ANY WARRANTIES OR PROMISES OF MERCHANTABILITY, WORKMANLIKE CONSTRUCTION, OR FITNESS FOR A PARTICULAR USE OR PURPOSE.

WITHOUT LIMITING THE GENERALITY OF ANY OF THE FOREGOING, DEVELOPER MAKES NO WARRANTIES OR PROMISES: (A) THAT THE PROJECT OR ANY IMPROVEMENTS IN THE SINGLE UNIT, THE SINGLE UNIT LIMITED COMMON ELEMENT LAND AREA, THE PROPERTY OR THE PROJECT (INCLUDING THE COMMON ELEMENTS) WILL BE FREE FROM DAMAGE; (B) REGARDING THE VALUE OF THE PROJECT; (C) REGARDING THE PHYSICAL OR ENVIRONMENTAL CONDITION OF THE PROJECT, INCLUDING, WITHOUT LIMITATION, THE EXISTENCE OF HAZARDOUS MATERIALS; OR (D) REGARDING THE SUITABILITY, CONFORMANCE, COMPLIANCE OR LACK OF COMPLIANCE OF THE PROJECT WITH ANY STATE, FEDERAL, COUNTY OR LOCAL LAW, CODE, ORDINANCE, ORDER, PERMIT, ADMINISTRATIVE REQUIREMENT, OR REGULATION, INCLUDING, WITHOUT LIMITATION, THOSE RELATED TO THE CONSOLIDATION AND SUBDIVISION OF LAND, THE OPERATION AND USE OF THE PROJECT AND ACCESSIBILITY OF THE PROJECT BY PERSONS WITH DISABILITIES. IN OTHER WORDS, DEVELOPER MAKES NO WARRANTIES OR PROMISES AT ALL.

BY ACQUIRING A SINGLE UNIT IN THE PROJECT, A PURCHASER SHALL RELEASE DEVELOPER AND ITS AFFILIATES, AND EACH OF THEIR RESPECTIVE PAST, PRESENT AND FUTURE MEMBERS, MANAGERS, DIRECTORS, OFFICERS, EMPLOYEES, SHAREHOLDERS, TRUSTEES, AGENTS, AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS FROM AND SHALL WAIVE ANY CLAIM, ACTION OR LIABILITY WHICH ARISES FROM OR RELATES TO ANY LATENT OR PATENT DEFECT IN THE PROJECT, THE SINGLE UNIT OR THE SINGLE UNIT LIMITED COMMON ELEMENT LAND AREA, KNOWN OR UNKNOWN, WHICH EXISTS NOW OR IN THE FUTURE, OR WHICH ARISES FROM OR RELATES TO ANY LACK OF COMPLIANCE OF THE PROJECT WITH ANY STATE, FEDERAL, COUNTY OR LOCAL LAW, CODE, ORDINANCE, ORDER, PERMIT, ADMINISTRATIVE REQUIREMENT, OR REGULATION, THAT A PURCHASER MAY HAVE AGAINST DEVELOPER UNDER ANY FEDERAL, STATE OR LOCAL LAW, ORDINANCE, RULE OR REGULATION NOW EXISTING OR HEREAFTER ENACTED OR PROMULGATED, INCLUDING WITHOUT LIMITATION, THOSE RELATED TO PEST MANAGEMENT (PESTICIDES), WEED AND FUNGUS CONTROL (USE OF HERBICIDES AND PESTICIDES, IRRIGATION OF ANY AND ALL PROJECT AND SURROUNDING LANDS WITH RECLAIMED WATER, TREATED EFFLUENT, OR OTHER SOURCES OF NON-POTABLE WATER, HAZARDOUS MATERIALS AND ENVIRONMENTAL CONDITIONS OR MATTERS IN, ON, UNDER, ABOUT OR MIGRATING FROM OR ONTO OR INTO THE PROPERTY OR THE PROJECT, OR BY VIRTUE OF ANY COMMON LAW RIGHT RELATING TO PEST MANAGEMENT (PESTICIDES), WEED AND FUNGUS CONTROL (USE OF HERBICIDES AND PESTICIDES, IRRIGATION OF ANY AND ALL PROJECT AND SURROUNDING LANDS WITH RECLAIMED WATER, TREATED EFFLUENT, OR OTHER SOURCES OF NON-POTABLE WATER, HAZARDOUS MATERIAL AND ENVIRONMENTAL CONDITIONS OR MATTERS IN, ON, UNDER ABOUT OR MIGRATING FROM OR ONTO OR INTO THE PROPERTY OR THE PROJECT.

6. DEVELOPMENT OF PHASE 2 IN INCREMENTS. Developer has reserved the right to develop Phase 2 in increments, and to develop, construct, transfer, convey and/or sell the Single Units in increments. The term "Increment" means any cluster or clusters of units in Phase 2 together with related facilities appurtenant thereto as reflected on the Condominium Map, developed and built on an incremental basis in accordance with the Declaration. Upon the completion of any Single Unit within an Increment, the Developer may, notwithstanding the incompleteness of any other Increment(s) or other Single Units in any pending Increment, but subject to the Declaration, the Bylaws, and any other governing documents of the Project, and the provisions of the sales contract for the sale of a Single Unit in such Increment, thereupon transfer ownership of Single Units in such Increment to Single Unit purchasers.

In connection with, and to the extent necessary for the development of Phase 2 and the construction of the residential dwelling units therein following the transfer of ownership of any Single Unit to an individual or entity other than the Developer, the Developer shall have the right to enter upon the Project premises with employees, agents and contractors for all purposes reasonably necessary for or useful to constructing and completing all of the Increments in accordance with the Declaration and the Condominium Map. Such rights shall include, but are not limited to, the following:

- (1) An easement over, under, and across the common elements of the Project for the purposes of all work connected with or incidental to the development, construction, and sale of the Single Units within Phase 2 and all Increments;
- (2) The right in the nature of an easement over and upon the existing units and common elements and limited common elements of the Project to create and cause dust, noise, vibration and other nuisances created by and resulting from any work connected with or incidental to the development, construction, and sale of the Increments;

- (3) The right to enter the common elements of the Project for the purpose of showing prospective purchasers units in Phase 2;
- (4) The right to place signs upon the Project in conjunction with sales of units in Phase 2;
- (5) The right of the Developer to use any unit or units owned or rented by Developer for sales or display purposes until all units within the Project have been sold; and
- (6) The right to use utility services benefiting the Project.

For additional information on Developer's reserved right to develop Phase 2 in increments, please see Exhibit G attached hereto.

8. VIEWS. Views from a particular Single Unit and the Project are not assured or guaranteed in any way. There is no warranty concerning the preservation of any view or view plane from the Project or any Single Unit, and each owner by accepting title to or an ownership interest in a Single Unit for himself/herself, and/or the family, lessees, tenant and guests of such owner and such owner's successors and assigns acknowledges and agrees that (a) completion of the Project, and/or Phase 2, and/or the possible future development or re-development of land adjacent to or in the vicinity of the Project, may have a detrimental effect on the views from the unit and other parts of the Project, and (b) there are no view easements or rights appurtenant to the Project or the unit. Further, changes in the Project landscaping through the addition, removal or trimming of trees or other vegetation may occur in the future and may adversely affect views from the Project or any unit.

9. DEVELOPER MAKES NO PROMISES OR WARRANTY ABOUT THE AMOUNT OF MAINTENANCE FEES. Purchaser has examined and approved the estimate of annual maintenance fees and assessments for the Project and shown in Exhibit H attached hereto. Purchaser is aware that such amounts are only estimates and may change for reasons beyond the control of Developer, and Purchaser hereby specifically accepts and approves any changes in such estimate made by Developer. PURCHASER AGREES THAT SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY WARRANTY OR PROMISE BY DEVELOPER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OR PROMISE AS TO THE ACCURACY OF SUCH ESTIMATES.

A Unit Owner shall become obligated to start paying the Unit Owner's share of Common Expenses and Single Unit Class Common Expenses thirty (30) days after receiving written notice from the Developer or its successor.

In accordance with Section 514B-41(b), Hawaii Revised Statutes, Developer shall not become obligated for the payment of the share of the Common Expenses and Single Unit Class Common Expenses until a spatial unit is replaced with a residential dwelling structure for which a certificate of occupancy relating to that unit has been issued by the appropriate County agency.

10. INSURANCE. In accordance with Section 514B-143(c), Hawaii Revised Statutes, each owner of a Single Unit shall at its own expense obtain and maintain property insurance and name the Association as an additional insured. See Paragraph 15 of the Declaration. PROSPECTIVE PURCHASERS SHOULD CONSULT WITH THEIR OWN INSURANCE PROFESSIONALS TO OBTAIN AN ESTIMATE FOR INDIVIDUAL PROPERTY INSURANCE.

11. DEVELOPER MAKES NO PROMISES OR WARRANTY ABOUT THIRD-PARTY REPORTS.

Developer makes no warranty or representation whatsoever that Developer has provided all studies, reports, tests or other written investigations that may pertain to the condition of the Project. To the extent that Developer may have hired or commissioned any study, test or other investigation of the condition, legal compliance, or any other matter relating to the Project, and to the extent Developer may make the results of any such study, test or investigation available to Purchaser in connection with the offer or sale of the Project, Developer disclaims and makes no warranty or promise regarding the accuracy, reliability or value of any statement or opinion expressed by such third-party. PURCHASER AGREES THAT PURCHASER'S USE OR CONSIDERATION OF ANY SUCH INFORMATION IN CONNECTION WITH THE OFFER OR SALE OF THE UNIT SHALL BE AT PURCHASER'S SOLE RISK.

12. SUB-ASSOCIATIONS. Pursuant to and in accordance with Section 11.b. of the Declaration, the unit owners within a Unit Class shall be permitted to form their own Sub-Associations to govern the management and operation of the limited common elements appurtenant to the units in the Unit Class and matters affecting only such Unit Class; provided, however, that such Sub-Associations shall be committees of the Association and shall be subject to authority of the Association as set forth in the Declaration, the Bylaws and the Act, and shall act within the scope of authority delegated to it by the Association, the Declaration and the Bylaws. Upon such formation, all owners of units within a Unit Class shall automatically become members of their respective Sub-Associations and shall remain members thereof until such time as the owner's interest in such unit ceases for any reason, at which time the owner's membership in the Sub-Association shall automatically cease. Each Sub-Association may, but shall not be required, to appoint such officers and agents and adopt such bylaws and rules and regulations for its own operation as it may deem necessary and appropriate, provided that (i) nothing therein shall conflict in any way with any provision of law, the Declaration, the Bylaws of the Association, or any nonbinding interpretation or opinion issued by the Real Estate Commission, and (ii) each unit shall have a proportionate vote within its respective Sub-Association based on such owner's interest in the Unit Class. As of the date of this Public Report, there is no clear statutory authority under Chapter 514B of the Act permitting the formation of sub-associations.

13. PETS. No livestock, poultry, or other animals whatsoever shall be allowed or kept in or on any part of Phase 2, except that dogs, cats, or other common household pets as described in the Bylaws, in reasonable number, may be kept by owners and occupants in their respective Single Units. The owner or occupant of any Single Unit in which a pet is to be kept shall register the pet with the Board or the Managing Agent prior to or immediately upon bringing such pet onto the Project. Pets shall not be kept, bred or used for any commercial purpose. No pet will be allowed to become a nuisance or create any unreasonable disturbance. Notwithstanding the foregoing, visually impaired persons may keep guide dogs, hearing impaired persons may keep signal dogs, and persons with disabilities may keep service animals in their Units. Further, nothing in the Project's governing documents shall hinder full access to the units and the common elements by persons with disabilities.

14. MAILBOXES. The mailboxes for the Singles Units will be located in mailbox stations in areas along the Access Driveway.

The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report and the exhibits attached to this report and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report at least 30 days prior to the anniversary date of the effective date of this report.

MAKAHA OCEANVIEW ESTATES, LLC

By: K&C INVESTMENTS, INC., its Member

Printed Name of Developer

By: Mark A. Kramer 2-11-13
Duly Authorized Signatory* Date

Mark A. Kramer, President

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

EXHIBIT "A"

Description of Units

NOTE: THE FOLLOWING TABLE DESCRIBES ALL OF THE 76 SINGLE UNITS IN PHASE 2 OF THE PROJECT. THIS REPORT, HOWEVER, COVERS ONLY UNITS 1, 2, 4, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 45, 46, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, AND 73, WHICH SAID UNITS MAKE UP INCREMENT 2 OF PHASE 2. THE REMAINING UNITS 3, 5, 6, 7, 37, 38, 39, 40, 41, 42, 43, 44, 47, 74, 75, AND 76, WHICH SAID UNITS MAKE UP INCREMENT 1 OF PHASE 2, ARE COVERED BY REGISTRATION NO. 7248. A DESCRIPTION OF THE 22 RESIDENTIAL UNITS IS CONTAINED IN A SEPARATE TABLE IN EXHIBIT A-2 ATTACHED HERETO AND MADE A PART HEREOF. THE 22 RESIDENTIAL UNITS ARE COVERED BY REGISTRATION NO. 6311 AND HAVE ALL BEEN SOLD TO THE PUBLIC.

AS PROVIDED IN THE DECLARATION, IT IS THE INTENT OF DEVELOPER TO REPLACE EACH SPATIAL UNIT WITH A RESIDENTIAL DWELLING STRUCTURE. THE DESIGNATION OF THE TYPE OF DWELLING TO BE CONSTRUCTED ON A PARTICULAR UNIT'S LIMITED COMMON ELEMENT LAND AREA IS SPECIFIED IN THE TABLE BELOW. A DESCRIPTION OF THE DIFFERENT MODEL TYPES IS SET FORTH IN EXHIBIT A-1 ATTACHED HERETO AND MADE A PART HEREOF.

Unit No.	Unit LCE Land Area* (sq. ft.)	Model**	Stories	BD/BR	Net Living Area (sq. ft.) ***	Entire Project % Common Interest****	Single Unit % Common Interest (Phase 2 Only) *****
1	7,886	Hina'ea	1	3/2.0	1,474	1.1924%	1.3158%
2	4,478	Hina'ea	1	3/2.0	1,474	1.1924%	1.3158%
3	4,358	Ka'ala	2	4/2.5	1,993	1.1924%	1.3158%
4	5,133	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
5	5,813	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
6	5,280	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
7	5,280	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
8	5,280	Ka'ala	2	4/2.5	1,993	1.1924%	1.3158%
9	5,280	Ka'ala	2	4/2.5	1,993	1.1924%	1.3158%
10	5,280	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
11	5,280	Kalani	2	3/2.5	1,837	1.1924%	1.3158%

Unit No.	Unit LCE Land Area* (sq. ft.)	Model**	Stories	BD/BR	Net Living Area (sq. ft.) ***	Entire Project % Common Interest****	Single Unit % Common Interest (Phase 2 Only) *****
12	5,830	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
13	5,830	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
14	5,282	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
15	7,177	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
16	7,956	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
17	9,385	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
18	20,860	Ka'ala	2	4/2.5	1,993	1.1958%	1.3158%
19	12,039	Ka'ala	2	4/2.5	1,993	1.1924%	1.3158%
20	9,828	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
21	7,395	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
22	6,980	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
23	7,075	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
24	7,187	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
25	7,223	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
26	6,558	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
27	10,409	Aukai	2	4/2.5	2,113	1.1924%	1.3158%
28	7,446	Ka'ala	2	4/2.5	1,993	1.1924%	1.3158%
29	15,866	Aukai	2	4/2.5	2,113	1.1924%	1.3158%
30	8,475	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
31	5,516	Aukai	2	4/2.5	2,113	1.1924%	1.3158%
32	4,707	Aukai	2	4/2.5	2,113	1.1924%	1.3158%
33	4,508	Aukai	2	4/2.5	2,113	1.1924%	1.3158%
34	4,590	Malia	1	3/2.5	1,340	1.1924%	1.3158%

Unit No.	Unit LCE Land Area* (sq. ft.)	Model**	Stories	BD/BR	Net Living Area (sq. ft.) ***	Entire Project % Common Interest****	Single Unit % Common Interest (Phase 2 Only) *****
35	4,061	<i>Malia</i>	1	3/2.5	1,340	1.1924%	1.3158%
36	4,263	<i>Kalani</i>	2	3/2.5	1,837	1.1924%	1.3158%
37	4,251	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
38	3,825	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
39	3,825	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
40	3,828	Kalani	2	3/2.5	1,837	1.1924%	1.3158%
41	4,297	Malia	1	3/2.5	1,340	1.1924%	1.3158%
42	8,767	Aukai	2	4/2.5	2,113	1.1924%	1.3158%
43	4,643	Malia	1	3/2.5	1,340	1.1924%	1.3158%
44	4,729	Hina'ea	1	3/2	1,474	1.1924%	1.3158%
45	6,936	<i>Malia</i>	1	3/2.5	1,340	1.1924%	1.3158%
46	4,410	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
47	4,850	Aukai	2	4/2.5	2,113	1.1924%	1.3158%
48	3,927	<i>Ka'ala</i>	2	4/2.5	1,993	1.1924%	1.3158%
49	4,175	<i>Ka'ala</i>	2	4/2.5	1,993	1.1924%	1.3158%
50	4,423	<i>Kalani</i>	2	3/2.5	1,837	1.1924%	1.3158%
51	5,205	<i>Malia</i>	1	3/2.0	1,340	1.1924%	1.3158%
52	5,512	<i>Malia</i>	1	3/2.0	1,340	1.1924%	1.3158%
53	5,222	<i>Malia</i>	1	3/2.0	1,340	1.1924%	1.3158%
54	5,454	<i>Hina'ea</i>	1	3/2.0	1,474	1.1924%	1.3158%
55	7,553	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
56	5,830	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
57	5,468	<i>Ka'ala</i>	2	4/2.5	1,993	1.1924%	1.3158%

Unit No.	Unit LCE Land Area* (sq. ft.)	Model**	Stories	BD/BR	Net Living Area (sq. ft.) ***	Entire Project % Common Interest****	Single Unit % Common Interest (Phase 2 Only) *****
58	5,045	<i>Ka'ala</i>	2	4/2.5	1,993	1.1924%	1.3158%
59	5,480	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
60	4,854	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
61	6,189	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
62	6,029	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
63	4,639	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
64	5,196	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
65	4,756	<i>Kalani</i>	2	3/2.5	1,837	1.1924%	1.3158%
66	5,245	<i>Kalani</i>	2	3/2.5	1,837	1.1924%	1.3158%
67	6,964	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
68	5,066	<i>Kalani</i>	2	3/2.5	1,837	1.1924%	1.3158%
69	5,347	<i>Kalani</i>	2	3/2.5	1,837	1.1924%	1.3158%
70	5,049	<i>Ka'ala</i>	2	4/2.5	1,993	1.1924%	1.3158%
71	4,290	<i>Ka'ala</i>	2	4/2.5	1,993	1.1924%	1.3158%
72	4,049	<i>Kalani</i>	2	3/2.5	1,837	1.1924%	1.3158%
73	3,808	<i>Kalani</i>	2	3/2.5	1,837	1.1924%	1.3158%
74	4,703	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
75	4,275	<i>Aukai</i>	2	4/2.5	2,113	1.1924%	1.3158%
76	5,927	<i>Malia</i>	1	3/2.5	1,340	1.1924%	1.3158%
						90.6258% (Single Units Subtotal)	100.0000% (Single Units Total)

* The LCE Land Area means the limited common element land area located within the land area demising lines and around and underneath the Buildable Area setback lines as shown on the Condominium Map.

** A description of the different dwelling models is contained in Exhibit A-1 attached hereto and made a part hereof. The designation of the type of dwelling to be constructed on a particular unit's limited common

element land area as specified in the above table is merely a preliminary designation and may change. Not every model type may be available at the time the spatial unit is replaced with a residential dwelling structure, and not every model type can be constructed on the limited common element land area appurtenant to a unit. The Developer, under the Declaration, has reserved the right to designate which model type of dwelling will be constructed on each individual unit's appurtenant limited common element land area. Thus, until a unit is improved with a dwelling, the final determination of the type of dwelling that will be constructed on a particular unit's limited common element land area may be based on a prospective purchaser's contract to purchase or as determined by the Developer.

*** The approximate net living floor area of the Single Units (once replaced with a residential building structure based on one of the dwelling models described in Exhibit A-1) shall be based on measurements taken from the undecorated or unfinished interior surface of all perimeter walls. Because there are differences in the methodology that professionals use in determining and measuring net areas or net living areas other professionals may end up with a different area or computation.

**** Each of the Residential Units and the Single Units shall have appurtenant thereto an undivided percentage interest (hereinafter referred to as the "Common Interest") in the common elements of the Project and in all common profits and expenses of the Project and for all other purposes with respect to Association matters, including, without limitation, voting as set forth in the column entitled "Common Interest % Entire Project" above, subject, however, to adjustment with respect to the Single Units as provided in Section 7.e. in the Declaration. The total Common Interest for all Residential Units in Phase 1 equals 9.3742%, and the total Common Interest for all Single Units in Phase 2 equals 90.6258%. The Common Interest for each Single Unit was calculated by dividing 90.6258% by the total number of Single Units with minor adjustments to the Common Interest for Unit 18 in order for the total Common Interest for all Single Units to equal 90.6258%.

***** All owners of Single Units shall be members of the Single Unit Class, and all owners of Residential Units shall be members of the Residential Unit Class. In addition to the Common Interest, each Single Unit shall have assigned to it, for administrative purposes, a Single Unit Class Common Interest as set forth in the column entitled "Single Unit % Common Interest (Phase 2 Only)" above, subject, however, to adjustment as provided in Section 7.e in the Declaration. The total Single Unit Class Common Interests for all Single Units in Phase 2 equals 100%. The Single Unit Class Common Interest for each Single Unit was calculated by dividing 100% by the total number of Single Units.

END OF EXHIBIT A

EXHIBIT A-1

As provided in the Declaration, it is the intent of Developer to replace each spatial unit with a residential dwelling structure. Each of the dwellings in the Project will consist of one of the following model types, however, this may change. The designation of the type of dwelling to be constructed on a particular unit's limited common element land area is specified in Exhibit A attached to this Public Report and in Exhibit "B" attached to the Declaration; however, this may also change. Furthermore, not every model type may be available at the time the spatial unit is replaced with a residential dwelling structure, and not every model type can be constructed on the limited common element land area appurtenant to a unit. The Developer reserves the right to designate which model type of dwelling will be constructed on each individual unit's appurtenant limited common element land area. Some dwellings may also have options, upgrades or alternate features or amenities. The determination of the type of dwelling that may be constructed on a particular unit's limited common element land area, and also the type of options, upgrades, or alternate features or amenities, may be based on a prospective purchaser's contract to purchase or as determined by the Developer. Until a unit is improved with a dwelling, Developer further reserves the right to make changes to the unit or the unit's limited common element area which may include, but is not necessarily limited to, interior finishes, electrical and plumbing fixtures, appliances, and floor coverings, and window treatments. Each dwelling will have parking for 2 cars in a garage, carport or pad which will be part of the unit.

1. Malia. This type of dwelling is a one-story structure constructed principally of wood with a slab foundation. This dwelling consists of three (3) bedrooms, two and one-half (2.5) bathrooms, kitchen, a living/dining room, and other improvements as shown on the Condominium Map. There is also a garage with laundry area and a covered patio. The approximate net living area of this dwelling is 1,340 square feet and the approximate net area of the other parts of the dwelling are as follows: garage with laundry area – 400 square feet, and covered patio - 160 square feet. This type of dwelling has an optional covered lanai – 110 square feet, and an optional covered entry area – 110 square feet.
2. Kalani. This type of dwelling is a two-story structure constructed principally of wood with a slab foundation. This dwelling consists of three (3) bedrooms, two and one-half (2.5) bathrooms, kitchen, a living/dining room, foyer, and other improvements as shown on the Condominium Map. There is also a garage with laundry area, a covered patio, and a covered entry area. The approximate net living area of this dwelling is 1,837 square feet and the approximate net area of the other parts of the dwelling are as follows: garage with laundry area - 447 square feet, covered patio – 180 square feet, and covered entry area – 40 square feet. This type of dwelling has an optional covered lanai – 110 square feet, and an optional additional covered patio – 120 square feet.
3. Hina'ea. This type of dwelling is a one-story structure constructed principally of wood with a slab foundation. This dwelling consists of three (3) bedrooms, two (2) bathrooms, kitchen, a living/dining room, and other improvements as shown on the Condominium Map. There is also a garage with laundry area, a covered patio, and a covered entry area. The approximate net living area of this dwelling is 1,474 square feet and the approximate net area of the other parts of the dwelling are as follows: garage with laundry area – 400 square feet, covered patio – 232, and covered entry/porch area - 104 square feet.
4. Aukai. This type of dwelling is a two-story structure constructed principally of wood with a slab foundation. This dwelling consists of four (4) bedrooms, two and one-half (2.5) bathrooms, kitchen, a living/dining room, a family room with wet bar, and other improvements as shown on the Condominium Map. There is also a garage with laundry area and a covered lanai. The approximate net living area of this dwelling is 2,113 square feet and the approximate net area of the other parts of the dwelling are as follows: garage with laundry area - 400 square feet, and covered lanai - 115 square feet. This type of dwelling has an optional covered patio – 180 square feet.

5. Ka'ala. This type of dwelling is a two-story structure constructed principally of wood with a slab foundation. This dwelling consists of four (4) bedrooms, two and one-half (2.5) bathrooms, kitchen, a living/dining room, foyer, and other improvements as shown on the Condominium Map. There is also a garage with laundry area, a covered patio, and a covered entry/porch. The approximate net living area of this dwelling is 1,993 square feet and the approximate net area of the other parts of the dwelling are as follows: garage with laundry area - 400 square feet, covered patio – 160 square feet, and covered entry/porch – 32 square feet. This type of dwelling has an optional second covered lanai – 60.

NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN CONTAINED, DEVELOPER HAS RESERVED THE RIGHT TO MAKE CHANGES TO THE DWELLING TYPES AVAILABLE.

END OF EXHIBIT A-1

EXHIBIT A-2

NOTE: THE FOLLOWING TABLE DESCRIBES ALL OF THE 22 RESIDENTIAL UNITS IN PHASE 1 OF THE PROJECT. THE RESIDENTIAL UNITS ARE COVERED BY REGISTRATION NO. 6311 AND HAVE ALL BEEN SOLD TO THE PUBLIC.

Unit No.	Unit Type	BD/BA	Net Living Area (sq. ft.)	Net Lanai Area (sq. ft.)	Parking Stalls	Entire Project % Common Interest	Residential Area % Common Interest (22 units)
197-A	2-Story Building 197-A	2/1	812	128	15, 44	0.4261%	4.5454%
198-A	2-Story Building 198-A	2/1	812	328	16, 42	0.4261%	4.5454%
199-A	3-Story Building 19A	2/1	810	110	17, 40	0.4261%	4.5454%
200-A	3-Story Building 200-A	2/1	810	110	18, 37	0.4261%	4.5454%
201-A	3-Story Building 201-A	2/1	810	110	19, 36	0.4261%	4.5454%
202-A	3-Story Building	2/1	810	110	21, 35	0.4261%	4.5454%
203-A	3-Story Building 203-A	2/1	810	110	22, 34	0.4261%	4.5454%
204-A	3-Story Building 204-A	2/1	810	110	9, 33	0.4261%	4.5454%
197-B	2-Story Building 197-B	2/1	815	36	1, 43	0.4261%	4.5454%
198-B	2-Story Building 198-B	2/1	815	36	2, 41	0.4261%	4.5454%
199-B	3-Story Building 199-B	2/1	813	18	14, 38	0.4261%	4.5455%
200-B	3-Story Building 200-B	2/1	813	18	7, 32	0.4261%	4.5455%
201-B	3-Story Building 201-B	2/1	813	18	8, 31	0.4261%	4.5455%
202-B	3-Story Building 202-B	2/1	813	18	20, 39	0.4261%	4.5455%
203-B	3-Story Building 203-B	2/1	813	18	10, 24	0.4261%	4.5455%
204-B	3-Story Building 204-B	2/1	813	18	12, 26	0.4261%	4.5455%
199-C	3-Story Building 199-C	2/1	813	18	3, 30	0.4261%	4.5455%

Unit No.	Unit Type	BD/BA	Net Living Area (sq. ft.)	Net Lanai Area (sq. ft.)	Parking Stalls	Entire Project % Common Interest	Residential Area % Common Interest (22 units)
200-C	3-Story Building 200-C	2/1	813	18	4, 29	0.4261%	4.5455%
201-C	3-Story Building 201-C	2/1	813	18	5, 28	0.4261%	4.5455%
202-C	3-Story Building 202-C	2/1	813	18	6, 27	0.4261%	4.5455%
203-C	3-Story Building 203-C	2/1	813	18	11, 23	0.4261%	4.5455%
204-C	3-Story Building 204-C	2/1	813	18	13, 25	0.4261%	4.5455%
						9.3742% (Residential Units Subtotal)	100.0000% (Residential Units Total)

END OF EXHIBIT A-2

EXHIBIT "B"

Boundaries of Each Unit

Until replaced with a physical residential dwelling structure, the Single Units shall consist of the air space within the boundaries of the Buildable Areas shown on the Condominium Map, which space is enclosed by (i) the ground of the Buildable Area, (ii) the imaginary horizontal plane above the surface of the ground as allowed under the Land Use Ordinance, Chapter 21, Revised Ordinances of Honolulu (1990) of the City and County of Honolulu ("LUO"), and (iii) the imaginary vertical planes along the perimeter of such Buildable Area. Once replaced with a physical residential dwelling structure, each Single Unit shall consist of: (a) all footings, floors, foundations, perimeter walls, windows, doors, and roofs of the building(s) and all other improvements from time to time located within the Buildable Area for each Single Unit as defined herein and shown on the Condominium Map; (b) all of the space, fixtures, walls and other improvements located within such footings, floors, foundations, perimeter walls, windows, doors, and roofs; (c) all exterior surfaces and finishes of such footings, floors, foundations, perimeter walls, windows, doors, and roofs; (d) all decks, lanais, porches, steps, stairs or other improvements physically attached to any building and for the exclusive use of the owners and occupants of any building located within the Buildable Area for each Single Unit; and (e) all portions of any carport or garage physically attached to, or contained in, any building or located within the Buildable Area for each Single Unit and for the exclusive use of the owner and occupants of the Single Unit. The foregoing, as initially established when replaced with a physical residential structure, or as hereafter changed pursuant to Section 19 of the Declaration, is referred to herein as a Single Unit. A Single Unit shall be deemed to include any pipes, wires, ducts, conduits, or other utility or service lines running through a unit (or the limited common element area appurtenant to such unit) which are utilized by or serve only that unit. A Single Unit shall not be deemed to include any pipes, wires, ducts, conduits, or other utility or service lines running through a unit (or the limited common element area appurtenant to such unit) which are utilized by or serve any other unit.

END OF EXHIBIT "B"

EXHIBIT "C"

Permitted Alterations to Units

The following are provisions from Section 19 of the Declaration pertaining to alterations of the Single Units in the Project:

19. ALTERATION OF THE PROJECT.

* * *

b. Single Units. Except as otherwise provided in this Declaration or the Act or as otherwise required by law, neither the Association nor any Single Unit owner shall perform any of the following acts except pursuant to plans and specifications approved in writing by the Board: (1) repairing, replacing or rebuilding any Single Unit, or any of the common or limited common elements in a manner different in any material respect from the Condominium Map; (2) engaging in any alterations which will affect the structural integrity of any Single Unit or the common or limited common elements; (3) constructing on the common or limited common elements any new building or structure, including but not limited to an extension to an existing dwelling; (4) enclosing any lanai, balcony, patio, or parking stall; or (5) constructing one or more of the optional structures for a particular dwelling model type as more particularly described in Exhibit "C" attached hereto. Upon the completion of any such work, there shall be filed with the Board a final "as built" set of the plans and specifications for such work, and if any such work should constitute a material alteration to the Project as shown on the Condominium Map (as determined by the Board), the Association or Single Unit owner, as the case may be, shall record an amendment to this Declaration describing such alteration and amending the Condominium Map to show such alteration, together with a certificate signed by a licensed architect or structural engineer, certifying that the plans showing such alterations accurately reflect such alterations, as built. Such amendment shall be signed by the Association or the Single Unit owner, as the case may be, and approved by the Board or Developer, and no consent or joinder of any other unit owner or person shall be required. Except as otherwise provided in this Declaration, the Bylaws, and the House Rules, each Single Unit owner shall be free, with the consent of all mortgagees of record of any interest in such owner's unit, to make such alterations and improvements within such owner's unit or within or on the limited common elements appurtenant thereto, without the consent or joinder of the Board, the Association, any unit owner, Developer or any other person, subject to compliance with all applicable provisions of law, this Declaration and the Bylaws.

c. Certain Work Prohibited. Notwithstanding anything to the contrary in this Declaration, no Residential or Single Unit owner (i) shall do any work which could jeopardize the soundness or safety of the Project, reduce the value thereof, or impair any easement or hereditament; or (ii) shall rebuild, repair or restore the Project in the event of substantial or total destruction of the Project, without in every such case obtaining the prior consent of sixty-seven percent (67%) of the unit owners, together with the prior written consent of all unit owners whose units or limited common elements appurtenant thereto are directly affected, and the approval of the Board, which shall not be unreasonably withheld; provided that a unit owner may make "nonmaterial additions and alterations" to the common elements or a unit as that term is used in and subject to the provisions of Section 514B-140 of the Act, which shall require approval only by the Board, which shall not unreasonably withhold its approval, and such percentage, number or group of unit owners or other parties as may be required by this Declaration or the Bylaws.

* * *

g. Procedure for Commencing Permitted Improvements to Single Units.

(i) Amendments. Notwithstanding Section 21 below, no amendment, verification or rescission of this Section 19.g. may be had, nor shall Developer or any successor developer thereof, be prohibited from completing the construction of the Project prior to the conveyance by Developer, or its successor, of the last unit in the Project without the (A) written consent of Developer, and (B) recording of such consent. Such written consent shall not be required after the conveyance by Developer (or its successors) of all the units.

(ii) Board Approval. Each Single Unit owner, other than Developer or its successor and except as otherwise expressly provided for in this Declaration, shall obtain the approval of the Board to repair, replace, or rebuild such owner's Single Unit and/or limited common elements appurtenant thereto in a manner different in any material respect from the Condominium Map in accordance with the provisions set forth below.

(iii) Scope of Board Review. To the extent that a Single Unit owner is entitled under this Declaration to modify his or her Single Unit in any manner following review and approval by the Board, no improvements of any kind whatsoever shall be commenced, erected, placed, or altered upon or around any Single Unit or any limited common element appurtenant thereto until complete plans and specifications showing the nature, kind, shape, height and materials, including the color ("Plans and Specifications"), have been submitted to and approved in writing by the Board. The Board shall consider and act upon such proposals or plans submitted to it pursuant to the terms of this Section 19.g.

(iv) Architectural Guidelines. The Board may, from time to time, adopt, amend, and repeal architectural standards and procedures for review and approval of Plans and Specifications to be known as "Architectural Guidelines" to supplement and clarify the provisions of this Declaration and to otherwise ensure that proposed plans and improvements delineated therein are in conformance with this Declaration, and otherwise in harmony with and compatible with the Project's design, materials, structures, and systems. The Architectural Guidelines shall apply to all Single Units. The initial Architectural Guidelines have been or will be adopted by Developer or its successor. The Architectural Guidelines can be amended, changed, or modified from time to time by the Board and/or by Developer or its successor without a vote of the Single Unit owners; however, the Board must, so long as Developer or its successor owns any Single Unit, obtain Developer's or Developer's successor's written consent to such amendment, change, or modification.

(v) Approval of Plans and Specifications by Board.

(A) Any owner proposing to construct improvements or taking other actions requiring the prior approval of the Board pursuant to this Declaration may apply to the Board for approval by submission of the application together with the Plans and Specifications showing the proposed improvements in accordance with the Architectural Guidelines.

(B) An application for approval will be considered complete only when the Board has received: (a) a completed application form, (b) three (3) copies of the Plans and Specifications (unless waived in writing by the Board), (c) all other documents or materials requested by the Board, and (d) all required fees. Incomplete applications will be disapproved. In any case where the improvements to be constructed require the consent of any mortgagee, Developer or its successor, or any other party, or if the construction activities will require access to a Single Unit or other property belonging to any other party, the owner shall provide written evidence to the Board that such mortgagee, Developer or its successor, or the other party has consented to the proposed improvements or granted the necessary access not later than the commencement of construction, however, the Board, in its sole discretion, may require that such evidence be provided prior to the granting of final approval. No application will be considered by the Board unless the owner is an Association member in good standing (i.e., no outstanding violations, delinquencies, etc.).

(C) The Board shall consider and act upon an application for

approval within sixty (60) days after a complete application for approval has been received; provided, however, in cases involving construction, reconstruction, repairs, or maintenance involving common elements, the Board may, in its sole discretion, by written notice to the owner given within the sixty (60) day period, extend such period for an additional period, not to exceed sixty (60) days. In the event the Board fails to approve or disapprove any such application within the required period of time after a complete application for approval has been received by the Board, the owner requesting said approval may submit a written notice to the Board advising the same of its failure to act. If the Board fails to approve or disapprove any such application within thirty (30) days after the receipt of said notice from such owner, said application shall be deemed approved, provided that any improvements shall conform to all conditions and restrictions contained in this Section, the Architectural Guidelines, and are otherwise in harmony with and compatible with the Project's design, materials, structures, and systems. The Board may condition any approval on such reasonable requirements as the Board determines in its reasonable belief are in the best interests of the Project. If the Plans and Specifications are disapproved, the Plans and Specifications must then be revised to conform with the Board's design requirements and resubmitted for reconsideration and approval within one hundred and twenty (120) days in order to avoid additional application processing fees.

(D) Any approval granted by the Board shall expire one hundred and twenty (120) days from the date of the issuance thereof, or within such different time as is set forth in writing by the Board in the granting of its approval, unless an application for a building permit covering the approved construction has commenced within the one hundred twenty (120) day period or within the period otherwise set by the Board.

(vi) Inspection and Correction of Work. Inspection of work and correction of defects therein shall proceed as follows:

(A) Right of Inspection During Course of Construction. The Board or its duly authorized representative may enter into any Single Unit, from time to time, as provided below during the course of construction or installation of any improvements for the purpose of inspecting such construction and/or installation. If the Board determines that such construction and/or installation is not being done in substantial compliance with the approved Plans and Specifications, it shall notify the owner of the subject unit of such noncompliance. The Board may not enter into a Single Unit pursuant to this provision without obtaining the prior permission of the owner or occupant of such unit; provided, however, that such prior permission shall not be unreasonably withheld and shall be given for entry by the Board during the daylight hours within forty-eight (48) hours of the request for entry.

(B) Notice of Completion. Upon the completion of any construction or reconstruction or the alteration or refinishing of any improvements, or up on the completion of any other work for which approved Plans and Specifications are required under this Section, the owner shall give written notice of completion thereof to the Board.

(C) Inspection. Within ninety (90) days after delivery of a notice of completion pursuant to Section 19.g.(vi)(B) above, the Board or its duly authorized representative may enter into any Single Unit to inspect such improvement to determine whether it was constructed, reconstructed, altered or refinished to substantial compliance with the approved Plans and Specifications. If the Board finds that such construction, reconstruction, alteration or refinishing was not done in substantial compliance with the approved Plans and Specifications, it shall notify the owner in writing of such non-compliance within such ninety (90) day period, specifying particulars of non-compliance, and shall require the owner to remedy such non-compliance

(D) Non-Compliance. If the owner shall fail to remedy any non-compliance within thirty (30) days, the Board may, at its option, after affording such owner notice and opportunity for hearing, either remove the non-compliant improvement or remedy the non-compliance, and the owner shall reimburse the Association for all expenses incurred in connection therewith upon demand. If such expenses are not promptly repaid by the owner to the Association, the Board shall levy a special assessment against such owner for reimbursement.

(vii) Enforcement. Without limitation of any other rights or remedies available under this Declaration, at law or in equity, the Board or Developer or its successor may, when confronted with a violation of this Section 19 (e.g., no approval was obtained or the constructed improvements do not conform to the approval given):

(A) Notify the violator to correct the violation and afford the violator an opportunity to cure by either (1) seeking appropriate approval where no approval was originally obtained, or (2) modifying the improvement so that it conforms to a pre-existing approval.

(B) Fine the violator pursuant to Section 19.g.(xv) below.

(C) Retain legal counsel to communicate the Board's demands to the violator and assess the violator for the cost incurred by the Board in that effort.

(D) Retain a professional or other agent to correct the violation after (1) an appropriate finding by the Board of the violation, and (2) a notice to the violator and providing an opportunity to cure.

(E) File an assessment lien against the violator's property for the costs incurred by the Board or Developer or its successor that may thereafter be foreclosed by action of the Board if not paid.

(F) Commence an action to enforce the obligations of this Declaration or the Architectural Guidelines.

(viii) Estoppel Certificate. Within forty-five (45) days after written request is delivered to the Board by a unit owner, and upon payment to the Association of a reasonable fee (as fixed from time to time by the Board), the Board shall issue an estoppel certificate, executed by the proper officers of the Association, certifying (with respect to any work completed by said owner) that as of the date thereof, either: (a) all improvements made and other work completed by said owner comply with this Declaration, or (b) such improvements or work do not so comply, in which event the certificate shall also identify the non-compliant improvements or work and set forth with particularity the basis of such non-compliance. Any purchaser from the owner, or from anyone deriving any interest in said unit through such owner, shall be entitled to rely on said certificate with respect to the matters therein set forth, such matters being conclusive as between the Association, Developer or its successor and all owners and such persons deriving any interest through them.

(ix) Government Regulations. If there is any conflict between the requirements or actions of the Board and the mandatory regulations or ordinances of any government entity relating to the Property, the government regulation or ordinance, to the extent that such regulations and ordinances are more restrictive, shall control, and the Board shall modify its requirements or actions to conform to the government regulation or ordinance; provided, however, that if the governmental rules or regulations are less restrictive, the provisions of this Declaration shall nonetheless apply. The application by an owner for review and approval by the Board of any Plans and Specifications or other submittals by such owner shall in no way be deemed to be satisfaction of compliance with any applicable statute or law, or governmental rule or regulation or public utility requirement (hereinafter collectively referred to as "Additional Requirements"); provided, however, if the Additional Requirements are less restrictive than the provisions of this Declaration, the provisions of this Declaration shall nonetheless apply.

(x) Diligence in Construction. Upon approval of any Plans and Specifications, the owner shall promptly commence construction within sixty (60) days after approval of the Plans and Specifications and diligently pursue the same to completion and complete such construction within six (6) months of the commencement of construction unless a longer time is authorized in writing by the Board.

(xi) Fees For Review. The Board shall have the right to establish reasonable fees for the review and approval of requests submitted to the Board for approval pursuant to the provisions of this Section. The Board shall have the right to require an owner to pay any fees, costs, or expenses associated with the review and approval of the owner's Plans and Specifications by an outside consultant or any costs associated with the review of the Plans and Specifications by any architect on the Board.

(xii) Hiring of Expert. The Board shall have the right to hire any architect, engineer or other consultant, the opinion of which the Board deems necessary in connection with its review of any plans submitted by an owner, and such owner shall be liable for payment of such engineer's and/or consultant's fee.

(xiii) Interpretation. All questions of interpretation or construction of any of the terms or conditions herein shall be resolved by the Board, and its decision shall be final, binding and conclusive on all of the parties affected.

(xix) Waiver. The approval by the Board of any plans, drawings, or specifications for any work done or proposed, or for any other matter requiring the approval of the Board under this Declaration, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification, or matter subsequently submitted for approval.

(xv) Additional Powers. The Board may promulgate as a part of the Architectural Guidelines such additional architectural and landscape standards, rules and regulations as it deems to be appropriate and as are not in conflict with this Declaration. Without limiting the generality of the preceding sentence, the Board may require security deposits, bonds or other security against damage to common elements, limited common elements or other property and otherwise impose such reasonable requirements as the Board determines is in the best interests of the Project to assure compliance with the requirements imposed by this Declaration and, without limiting any remedy available to the Association at law or in equity, may fix fines for any failure to obtain the required approval from the Board or otherwise comply with the requirements of this Section 19 or the Architectural Guidelines.

(xvi) Liability. Neither the Association, the Board, nor any committee, director, employee, or member of any of the foregoing shall be liable to the Association or to any owner for any damage, loss, or prejudice suffered or claimed on account of: (a) the approval or disapproval of any plans, drawings, and specifications, whether or not defective; (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications; (c) damage to the Project or any property within the Project; or (d) the execution and issuance of an estoppel certificate pursuant to Section 19.g.(viii), whether or not the facts therein are correct; provided, however, that such Board member has acted in good faith on the basis of such information as may be possessed by him or her. Without in any way limiting the generality of the foregoing, the Board, or any member thereof may, but is not required to, consult with or hear the views of the Association or any owner with respect to any plans, drawings, specifications, or any other proposal submitted to the Board.

(xvii) Government Requirements. The application to and the review and approval by the Board of any proposals, plans, or other submittals shall in no way be deemed to be satisfaction of or compliance with any building permit process or any other governmental requirements, the responsibility of which shall lie solely with the respective owner.

(xviii) Variances. The Board may, but shall not be obligated to, authorize variances from compliance with any of the architectural provisions of this Declaration, including, without limitation, restrictions upon height, size, floor area, or placement of any structure or improvements or other similar restrictions, to comply with the requirements of law, or when circumstances such as aesthetic, environmental, or undue hardship considerations may require. Such variances shall be evidenced in writing, must be signed by the proper officers of the Association, and shall become effective upon issuance of the Board's approval. If such variances are granted, no violation of the covenants, conditions, and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter

which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular unit and particular provision hereof covered by the variance, nor shall it affect in any way the owner's obligation to comply with all governmental laws and regulation as affecting its use of the unit, including, but not limited to, zoning ordinance and setback lines or requirements imposed by the City and County of Honolulu or any other governmental authority. The grant of a variance by the Board shall not be deemed to constitute a waiver of any right to withhold approval or consent to a variance for any similar or differing non-conforming proposals, plans and specifications, drawings, or matters.

(xix) Recording of Alterations. Upon completion of any repair, reconstruction, restoration, replacement of the Project or any building or other structure, or construction of any additional building or other structure or structural alteration or addition thereto, different in any material respect from the Condominium Map, the unit owner(s) directly affected (or the Association, in the case where the Association has undertaken such repair, reconstruction, or replacement) shall duly record and file of record an amendment to this Declaration together with the approved plans showing the alterations or additions. Amendments to this Declaration with respect to repair, reconstruction, restoration, or replacement wholly within a unit or more than one unit need only be executed by the unit owner(s) directly affected and their mortgagees, as may be required.

(xx) Non-Applicability to Developer or its Successor. Except as expressly provided, the provisions of this Section 19 shall not apply to any property or improvements owned or installed by Developer, or its successor, and the Board shall not have any rights of review or approval with respect thereto. Developer and its successor shall further have the right to make any alterations and physical improvements to the Project, including structural alterations, in furtherance of its rights set forth in Section 8.g. above, provided such alterations do not change the layout and configuration of the Residential Units. Without limiting the foregoing, Developer or its successor need not seek or obtain the approval of the Board, the Association, or any unit owner for any improvement constructed, reconstructed, modified, or placed on any portion of the Property by Developer or its successor. In any case where the improvements to be constructed within a unit require the consent of a mortgagee of the unit owner, the owner shall provide evidence to the Board that such mortgagee has consented to the proposed improvements.

END OF EXHIBIT "C"

EXHIBIT "D"

Description of Common Elements

The common elements include the following located within the Project:

- a. The Land in fee simple.
- b. The driveway designated as the "Access Driveway" in the location shown as "CA-1" on the Condominium Map, and any and all roads, driveways, access lanes and paved areas which are not designated as Residential Limited Common Elements or Single Unit Limited Common Elements.
- c. The area designated as "Park" in the location shown as "CA-2" on the Condominium Map, which may be kept as open space for park or recreational purposes by the Association for the benefit of the Project.
- d. The area designated as "Water Meter" in the location shown as "CA-3" on the Condominium Map, which shall be maintained by the Association as a water meter for the benefit of the Project.
- e. The areas designated as "Utilities" in the locations shown as "CA-4" and "CA-5" on the Condominium Map, which shall be maintained by the Association for utility purposes for the benefit of the Project.
- f. The fence and security gate fronting Kili Drive.
- g. The guest parking stalls ("Guest Stalls") numbered 45 to 51 in the locations shown on the Condominium Map.
- h. All sewer lines, sewage treatment equipment and facilities (if any), electrical transformers, emergency generators, electrical equipment, pipes, conduits, cables, wiring and other central and appurtenant transmission facilities and installations on, over, under and across the Project which serve more than one unit for services such as power, light, water, gas (if any), cable television (if any), sewer, refuse, telephone, and radio and television signal distribution.
- i. All drainage facilities or swales, pipes, shafts, wires, conduits or other utilities or service lines running through a unit which are utilized or serve more than one unit or other features of the Project.
- j. Any and all other apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors, water heaters and, in general, all other parts of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use and which are not part of any unit or the limited common elements below.
- k. The limited common elements.
- l. All portions of the Project other than the Units, and any other interests in real estate for the benefit of the Unit Owners that are subject to this Declaration.

END OF EXHIBIT "D"

EXHIBIT "E"

Description of Limited Common Elements

The limited common elements include the following located within the Project:

a. Limited Common Elements Appurtenant to all Residential Units. The limited common elements that are appurtenant to and reserved for the exclusive use of the owners of the Residential Units shall hereinafter be referred to as the "Residential Limited Common Elements," and are as follows:

(i) The areas described as "LCE-1," "LCE-2," and "LCE-3" on the Condominium Map shall be limited common element land areas appurtenant to and for the use of the Residential Units ("the Residential Area").

(ii) All stairways, stairway landings, walkways, walkway railings, refuse facilities, yards, grounds, sidewalks, paths, fences, landscaping, driveways (exclusive of the Access Driveway), and all parking areas located within the Residential Area shall be appurtenant to and for the use of the Residential Units.

(iii) The Security Gate (to be constructed by the Association as described in Section 8.a.), all mailboxes, storage areas, fences and other common rooms and facilities in the Project within the Residential Area shall be appurtenant to and for the use of the Residential Units.

(iv) To the extent that the following limited common elements are not appurtenant to and for the exclusive use of a specific Residential Unit, they shall be deemed a part of the Residential Limited Common Elements: (a) the entirety of the Residential Buildings, including, without limitation, all structural components of the Residential Buildings, such as foundations, columns, girders, beams, floor slabs, supports, perimeter, party and load-bearing walls and partitions (excluding the finishes thereon within a unit), roofs, all exterior surfaces, corridors, stairways, walkways, entrances, exists and refuse facilities located within or for the common use of the Residential Unit owners, (b) all supporting fixtures and appliances within the Residential Buildings, and (c) all mechanical rooms, switchboard rooms, storage rooms, all central and appurtenant installations for services such as power, lights, telephone, gas, hot and cold water lines, television and cable lines, sewage disposal and other utilities (including all pumps, ducts, wires, cables and conduits used in connection therewith), and all boilers, tanks, pumps, motors, fans, ducts and other apparatus and installations existing for or in the Residential Buildings for the Residential Unit owners' common use.

b. Limited Common Elements Appurtenant to Specific Residential Units. The limited common elements that are appurtenant to and reserved for the exclusive use of specific Residential Units, but not all of the Residential Units, shall hereinafter be referred to as the "Residential Unit Limited Common Elements," and are as follows:

(i) The lanai(s) immediately adjacent to any Residential Unit as shown on the Condominium Map shall be a limited common element appurtenant to such Residential Unit.

(ii) Each Residential Unit shall have as a limited common element appurtenant to it the parking stalls ("Residential Unit Stalls") as designated in Exhibit B; subject, however, to the right of Residential Unit owners to redesignate such stalls pursuant to Section 514B-40 of the Act, as amended.

(iii) Any chute, flue, duct, wire, conduit or any other fixture which lies partially within and partially outside the designated boundaries of a unit serving only that unit is a limited common element appurtenant solely to that unit.

(iv) Any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, lanais, patios and all exterior doors and windows or other fixtures designed to serve a single unit, but that

are located outside the unit's boundaries, are limited common elements appurtenant exclusively to that unit.

c. Limited Common Elements Appurtenant to Specific Single Units in Phase 2. Developer hereby designates certain limited common element land areas and the following limited common elements that are appurtenant to and reserved for the exclusive use of specific Single Units, but not all of the Single Units. Such limited common elements shall hereinafter be referred to as the "Single Unit Limited Common Elements," and are as follows:

(i) Each Single Unit shall have appurtenant thereto as a limited common element the land area outside of the unit's Buildable Area but within the boundary circumscribing the unit land area as approximated by the broken dashed lines ("— - — - —") as shown on the Condominium Map.

(ii) Mailboxes for the provision of mail service to the Single Units shall be appurtenant to and for the use of the Single Units.

(iii) Any driveway or roadway connecting to the Access Driveway, and any fences, walls or utility systems that are located within a Single Unit Limited Common Element Area which services or benefits only that unit shall be a Single Unit Limited Common Element of that unit.

d. Other Limited Common Elements.

(i) All sewer lines, electrical equipment, pipes, conduits, cables, wiring, utility yards and equipment, and other central and appurtenant transmission facilities and installations on, over, under and across the Project for services such as electricity, water, gas, cable television, sewer, refuse, telephone, radio and television signal distribution which serve less than all units shall be appurtenant to the unit or units they serve.

(ii) Any and all other apparatus and installations existing for common use, such as tanks, pumps, motors, air conditioners, fans, compressors, water heaters and, in general, all other parts of the Project necessary or convenient to its existence, maintenance and safety, and normally in common use and which are not part of any unit and serve less than all of the units, shall be appurtenant to the unit or units they serve.

(iii) The common elements of the Project which are rationally related to less than all of the units shall be deemed limited common elements, and such limited common elements shall be limited to use by only those units benefiting from the same.

END OF EXHIBIT "E"

EXHIBIT "F"

List of Encumbrances Against Title

Encumbrances against the title as contained in the Preliminary Title Report dated December 26, 2012 (covering the 75 unsold units in the Project), and issued by Title Guaranty of Hawaii, Inc., are as follows:

1. Real property taxes due and payable. For more information contact the City and County of Honolulu, Department of Finance, Real Property Tax Assessment.
2. Mineral and water rights of any nature in favor of the State of Hawaii.
3. GRANT in favor of CITY AND COUNTY OF HONOLULU dated February 6, 1950, filed as Land Court Document No. 116618; granting all rights in basal water only.
4. The terms and provisions contained in the following:

INSTRUMENT : WARRANTY DEED

DATED : June 28, 1973

FILED : Land Court Document No. 651892
5. Designation of Easement "87", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
6. Designation of Easement "91", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
7. Designation of Easement "92", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
8. Designation of Easement "93", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
9. Designation of Easement "94", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
10. Designation of Easement "95", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
11. Designation of Easement "144" for drainage purposes, as shown on Map 128, as set forth by Land Court Order No. 45667, filed October 20, 1976.
12. Designation of Easement "145" for sanitary sewerline purposes, as shown on Map 128, as set forth by Land Court Order No. 45667, filed October 20, 1976.
13. Access rights in favor of Lot 1009-B, as shown on Map 128, filed in the Office of the Assistant Registrar of the State of Hawaii with Land Court Application No. 1052 (amended), over and across Lot 1009-A for the purpose of maintaining Easement "144" (a surface drainage area) and Easement "145" (a sanitary sewerline), as set forth by Land Court Order No. 45667, filed October 20, 1976.
14. The terms and provisions contained in the following:

INSTRUMENT : THIRD AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM
PROPERTY REGIME FOR MAKAHA
OCEANVIEW ESTATES

DATED : May 31, 2012
FILED : Land Court Document No. T-8214270
MAP : 1822 and any amendments thereto

The foregoing Amended and Restated Declaration restates the original Declaration dated June 13, 2006, filed as Land Court Document No. 3446067, and any amendments thereto.

QUITCLAIM ASSIGNMENT OF DEVELOPMENT RIGHTS by and between HIRC MAKAHA OCEANVIEW ESTATES LLC, a Hawaii limited liability company ("Assignor"), and MAKAHA OCEANVIEW ESTATES, LLC, a Hawaii limited liability company ("Assignee"), dated December 3, 2008, filed as Land Court Document No. 3812768.

NOTE: IN ADDITION, THE DEVELOPER ADVISES THAT SAID THIRD AMENDED AND RESTATED DECLARATION OF CONDOMINIUM PROPERTY REGIME WAS AMENDED BY INSTRUMENT DATED FEBRUARY 11, 2013, FILED AS LAND COURT DOCUMENT NO. T-8471168.

15. The terms and provisions contained in the following:

INSTRUMENT : SECOND AMENDED AND RESTATED BY-
LAWS OF THE ASSOCIATION OF UNIT
OWNERS OF MAKAHA OCEANVIEW
ESTATES; JOINDER

DATED : August 29, 2007
FILED : Land Court Document No. 3654273

The foregoing Amended and Restated Bylaws restate the original Bylaws dated June 13, 2006, filed as Land Court Document No. 3446068, and any amendments thereto.

QUITCLAIM ASSIGNMENT OF DEVELOPMENT RIGHTS by and between HIRC MAKAHA OCEANVIEW ESTATES LLC, a Hawaii limited liability company ("Assignor"), and MAKAHA OCEANVIEW ESTATES, LLC, a Hawaii limited liability company ("Assignee"), dated December 3, 2008, filed as Land Court Document No. 3812768.

Said Amended and Restated Bylaws were amended by instrument dated May 31, 2012, filed as Land Court Document No. T-8214272.

16. The terms and provisions contained in the following:

INSTRUMENT : WARRANTY DEED

DATED : October 18, 2008
FILED : Land Court Document No. 3812767

17. Encroachments, if any, which would be shown on a correct survey.
18. Any unrecorded leases and matters arising from or affecting the same.

END OF EXHIBIT "F"

EXHIBIT "G"

Rights Reserved by the Developer to Make Changes to the Project and to Condominium Documents

The following are provisions from Section 8.g(i) of the Declaration pertaining to rights reserved by the Developer to develop and make changes to the Project and to make changes to the condominium documents in connection with the development of Phase 2 of the Project:

g. Easements and Reservation of Rights for Development of Phase 2. Notwithstanding anything to the contrary contained in this Declaration or in the Bylaws, Developer and/or the owner of the Development Unit shall have the rights and obligations set forth in this Section 8.g. in connection with the development of Phase 2.

(i) Development of Single Units within Phase 2.

(a) Phase 2. Phase 2 originally consisted of one (1) Development Unit. Pursuant to the reserved rights as contained herein, Developer's predecessor-in-interest converted said Development Unit into forty-six (46) condominium units (the "Duplex Units"), which said Duplex Units could be further subdivided into one hundred five (105) condominium units (the "Single Units"). Developer has converted these forty-six (46) Duplex Units into seventy-six (76) Single Units as shown on the Condominium Map. Notwithstanding anything to the contrary herein, Developer shall have the right to increase or decrease the number of Single Units in Phase 2; provided, however, that the number of Single Units developed in Phase 2 shall not exceed one hundred and five (105) units as set forth in Section 8.g.(ii) below.

The Single Units are more particularly described in Section 4 above. Each spatial Single Unit is intended to be replaced with a physical residential dwelling structure. The model type of residential dwelling intended for each Single Unit, and a description thereof, is set forth in Exhibit "C" attached hereto and made a part hereof. Developer shall have the right to successively amend the Declaration and the Condominium Map solely with respect to Phase 2 (and to adopt sub-association bylaws as set forth in Section 11.b. below as necessary) and to take any other action required by the Act to effectuate the development of the Single Units in Phase 2 and to exercise Developer's rights as set forth herein, without the necessity of obtaining the consent or joinder of the Association, the Board or any other unit owners or their mortgagees, lien holders, unit purchasers, or any other person who may have an interest in the Project or in any unit. The development of the Single Units in Phase 2 shall be subject to the Development Conditions set forth in Section 8.g(ii) below.

(b) Developer's Right to Develop Phase 2 in Increments. Any other provision in this Declaration to the contrary notwithstanding, Developer shall have the right (but shall not be obligated) at its sole discretion under this Section, without being required to obtain the consent or joinder of, or provide notice to, any person or group of persons, including the Association, the Board, any unit owner or any mortgagee, lien holder, unit purchaser or any other person who may have an interest in the Project or in any unit, to develop, construct, transfer, convey and/or sell the Single Units hereunder in legal phases or Increments. For purposes of this Declaration, the term "Increment" means any cluster or clusters of units in Phase 2 together with related facilities appurtenant thereto as reflected on the Condominium Map, developed and built on an incremental basis in accordance with this Section. Phase 2 consists of those certain Units 1 through 76 described in Exhibit "B", to be developed in accordance herewith. Developer shall proceed initially with only the development of Increment 1, consisting of Units 3, 5, 6, 7, 37, 38, 39, 40, 41, 42, 43, 44, 47, 74, 75, and 76 as shown on the Condominium Map. Before proceeding with development of future increments, which may include two or more of the remaining Single Units, Developer shall and hereby reserves the right to amend this Declaration to evidence the incorporation and annexation of the Single Units included in such future Increments within Phase 2 of the Project. However, Developer reserves the right to construct Phase 2 in one (1) or more Increments in Developer's sole discretion. Upon the completion of any Single Unit within an Increment, the Developer may, notwithstanding the incompleteness of any other Increment(s) or other Single Units in any pending

Increment, but subject to this Declaration, the Bylaws, and any other governing documents of the Project, and the provisions of the sales contract for the sale of a Single Unit in such Increment, thereupon transfer ownership of Single Units in such Increment to Single Unit purchasers.

(c) Completion of Increments. In connection with, and to the extent necessary for the development of Phase 2 and the construction of the residential dwelling units therein following the transfer of ownership of any Single Unit to an individual or entity other than the Developer, the Developer shall have the right to enter upon the Project premises with employees, agents and contractors for all purposes reasonably necessary for or useful to constructing and completing all of the Increments in accordance with this Declaration and the Condominium Map without any obligation to reimburse the Association for any cost or benefit attributable to the exercise of Developer's rights reserved herein. Such rights shall include, but are not limited to, the following:

(1) An easement over, under, and across the common elements of the Project for the purposes of all work connected with or incidental to the development, construction, and sale of the Single Units within Phase 2 and all Increments;

(2) The right in the nature of an easement over and upon the existing units and common elements and limited common elements of the Project to create and cause dust, noise, vibration and other nuisances created by and resulting from any work connected with or incidental to the development, construction, and sale of the Increments;

(3) The right to enter the common elements of the Project for the purpose of showing prospective purchasers units in Phase 2;

(4) The right to place signs upon the Project in conjunction with sales of units in Phase 2;

(5) The right of the Developer to use any unit or units owned or rented by Developer for sales or display purposes until all units within the Project have been sold; and

(6) The right to use utility services benefiting the Project.

(d) Developer's Right to Alter Common Elements and Single Unit Limited Common Elements. During the development of Phase 2, Developer, its contractors, subcontractors, licensees, mortgagees and assigns, and their respective employees and agents, shall have the right and an easement in favor of Developer and its successors and assigns is hereby granted, at any time and from time to time, to enter upon, use, remove, replace, add to, or otherwise alter the common elements and the Single Unit Limited Common Elements of the Project and to do all things reasonably necessary, desirable or useful, for designing, developing, constructing or completing any additional Increment in Phase 2, connecting any such additional Increment to the Access Road and utility installations of the Project, and selling the units contained within any such additional Increment; provided, however, that the exercise of the rights granted herein shall not cause any permanent or avoidable interruption in the service of utilities to the Project, and provided further that any person exercising such rights shall use reasonable efforts, without additional cost to the Developer and consistent with maintaining the progress of the design, development, construction, completion and sale of the additional Increment, to minimize interference with the owners' use and enjoyment of the Project. Developer further reserves the right to grant, for the benefit of the owner or owners from time to time of all or any portion of each of the other Increments, and without the consent or joinder of, or notice to, any party having any interest in the Project, easements over, under, across, along, upon and through the common elements of the Project for ingress and egress purposes, access purposes, electrical, gas, mail, communications and other utility purposes, sanitary sewer, drainage and drainline, waterline, and flowage purposes, and all other purposes, to the State of Hawaii, the County, the Board of Water Supply of the County, any other appropriate governmental agency, and/or any public or private utility or other corporation, partnership, individual or entity, provided that such easements and rights-of-way do not materially impair or interfere with the use of any unit in the Project or the common elements of the Project.

(e) Developer's Reserved Rights Regarding Incremental Development. The rights reserved to the Developer in Sections 8.g.(i)(c) and (d), above, are subject to the following terms and conditions:

(1) The development of each Increment shall be in accordance with this Declaration and the Condominium Map (as the same may be amended pursuant to this Declaration);

(2) Developer shall have the right to utilize, relocate and realign existing, and/or to develop additional, central and appurtenant installations for services to the additional units for electricity, hot and cold water and other applicable utilities and services and, when applicable, to add, delete, relocate, realign, designate, cancel and grant easements and rights-of-way over, under and on the common elements as necessary and desirable in connection therewith; provided that the same shall not cause an interruption, other than a temporary interruption, in the service of such utilities to any other part of the Project;

(3) The construction of each Increment shall be at the Developer's expense;

(4) Developer shall not in any way encumber individual units no longer owned by the Developer in connection with the financing of construction of Increments, provided that the Developer may assign, by way of security, its interest in the units owned by the Developer; and

(5) Promptly upon the completion of each Increment, Developer shall duly record an amendment to this Declaration (which may be titled "Supplemental Declaration of Annexation") evidencing the incorporation and annexation of the completed Increment, without the approval, consent or joinder of, or notice to, any person or group of persons, including the Association, any unit owner or any mortgagee, lienholder, unit purchaser or any other person who may have an interest in the Project, together with a complete set of floor plans of the Project as so altered, certified, if required, as-built by a licensed, registered architect or professional engineer or verified as complete by Developer in the form of a Developer's certificate of completion (a "Developer's Certificate of Completion").

(6) Subject to Developer's reserved rights as set forth herein, Developer shall maintain the undeveloped portions of Phase 2 in a reasonable condition so as to not unreasonably interfere with the possession and use of the Units by the owners and occupants in the Project.

(f) Amendment to Declaration, Condominium Map, Bylaws, House Rules, and Architectural Guidelines. Developer shall have the absolute right, notwithstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of or provide notice to any unit owner, lien holder, or other persons, to amend this Declaration, the Condominium Map, Bylaws, House Rules, and Architectural Guidelines, as necessary or convenient in connection with Developer's reserved rights under this Declaration to develop Phase 2.

(g) Assignment of Developer's Rights. The rights of the Developer under this Section 8.g.(i) shall extend to the Developer and its respective successors and assigns. Without limitation of the foregoing, Developer may, by recorded instruments or by Supplemental Declaration, assign or partially assign, while retaining equivalent rights to Developer, to any assignee, including without limitation the Association, any one or more of the rights and easements reserved to Developer under this Section 8.g.(i) and its subparts (or otherwise reserved to Developer in this Declaration).

EXHIBIT H
ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

CERTIFICATE

I, the undersigned, duly sworn on oath, depose and affirm as follows:

1. I am the Senior Vice President for Hawaiiana Management Company, Ltd., a Hawaii corporation, designated by the Developer of the Makaha Oceanview Estates, Phase II condominium project (the "Project") to act as the Managing Agent for the management and administration of the Project.

2. I hereby certify that the breakdown of the annual maintenance charges and the monthly estimated cost for each unit in the Project, as set forth in Exhibit "1" attached hereto and hereby incorporated herein by reference, were determined in accordance with Section 514B-148 of the Hawaii Revised Statutes and Chapter 107 of the Hawaii Administrative Rules, and are reasonable estimates for the one-year period commencing June 2012, based on generally accepted accounting principles.

3. As permitted pursuant to Section 514B-148(b), new associations need not collect estimated reserves until the fiscal year which begins after the association's first annual meeting.

DATED: Honolulu, Hawaii, this 27th day of December 2012.



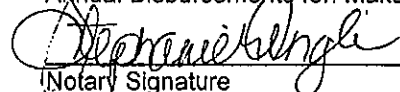
Name: KEVIN COLE
Title: SENIOR VICE PRESIDENT

Subscribed and sworn to before me
this 27th day of December, 2012.

State of Hawaii
City & County of Honolulu

Date: December 27, 2012 # of Pages: 4

Doc. Description: Certificate of Managing Agent & Estimated
Annual Disbursements for: Makaha Oceanview Estates, Phase II



Notary Signature
Name: Stephanie M. Angle

No. & Expiration: 10-134

My commission expires: 6/13/2014
First Circuit, State of Hawaii



NOTARY CERTIFICATION

Fee Disbursement

Makaha Oceanview
Estates, Phase II
(60 units)

Utilities	Monthly	Annually
Electricity	\$150.00	\$1,800.00
Water	\$538.00	\$6,456.00
Telephone	\$50.00	\$600.00
Maintenance		
Gate	\$85.00	\$1,020.00
Landscape	\$875.00	\$10,500.00
Landscape extras	\$70.00	\$840.00
Tree Trimming	\$55.00	\$660.00
Pest Control	\$75.00	\$900.00
Refuse	\$0.00	\$0.00
Misc Repairs and Purchases	\$70.00	\$840.00
Roadway	\$90.00	\$1,080.00
Management		
Management Fee	\$926.00	\$11,112.00
Design Review	\$340.00	\$4,080.00
Admin Supplies and Svc	\$300.00	\$3,600.00
Architect	\$200.00	\$2,400.00
Insurance		
Property	\$375.00	\$4,500.00
Umbrella	\$75.00	\$900.00
Director & Officers	\$74.00	\$888.00
Fidelity Bond	\$200.00	\$2,400.00
Taxes		
General Excise Tax	\$10.00	\$120.00
Condo Registration	\$30.00	\$360.00
Audit/Tax Preparation	\$240.00	\$2,880.00
Legal Fees	\$170.00	\$2,040.00
Sub-total	\$4,998.00	\$59,976.00
Reserves	\$499.80	\$5,997.60
TOTAL	\$5,497.80	\$65,973.60

12/27/12

Estimated Maintenance Fees

Makaha Oceanview Estates
Phase II (60 units)

Unit Number	Monthly Fee	Yearly Fee
1	\$91.63	\$1,099.50
2	\$91.63	\$1,099.50
4	\$91.63	\$1,099.50
8	\$91.63	\$1,099.50
9	\$91.63	\$1,099.50
10	\$91.63	\$1,099.50
11	\$91.63	\$1,099.50
12	\$91.63	\$1,099.50
13	\$91.63	\$1,099.50
14	\$91.63	\$1,099.50
15	\$91.63	\$1,099.50
16	\$91.63	\$1,099.50
17	\$91.63	\$1,099.50
18	\$91.63	\$1,099.50
19	\$91.63	\$1,099.50
20	\$91.63	\$1,099.50
21	\$91.63	\$1,099.50
22	\$91.63	\$1,099.50
23	\$91.63	\$1,099.50
24	\$91.63	\$1,099.50
25	\$91.63	\$1,099.50
26	\$91.63	\$1,099.50
27	\$91.63	\$1,099.50
28	\$91.63	\$1,099.50
29	\$91.63	\$1,099.50
30	\$91.63	\$1,099.50
31	\$91.63	\$1,099.50
32	\$91.63	\$1,099.50
33	\$91.63	\$1,099.50
34	\$91.63	\$1,099.50
35	\$91.63	\$1,099.50
36	\$91.63	\$1,099.50
45	\$91.63	\$1,099.50
46	\$91.63	\$1,099.50
48	\$91.63	\$1,099.50
49	\$91.63	\$1,099.50
50	\$91.63	\$1,099.50
51	\$91.63	\$1,099.50
52	\$91.63	\$1,099.50
53	\$91.63	\$1,099.50
54	\$91.63	\$1,099.50
55	\$91.63	\$1,099.50
56	\$91.63	\$1,099.50
57	\$91.63	\$1,099.50
58	\$91.63	\$1,099.50
59	\$91.63	\$1,099.50
60	\$91.63	\$1,099.50

12/27/12

Estimated Maintenance Fees

Makaha Oceanview Estates
Phase II (60 units)

61	\$91.63	\$1,099.50
62	\$91.63	\$1,099.50
63	\$91.63	\$1,099.50
64	\$91.63	\$1,099.50
65	\$91.63	\$1,099.50
66	\$91.63	\$1,099.50
67	\$91.63	\$1,099.50
68	\$91.63	\$1,099.50
69	\$91.63	\$1,099.50
70	\$91.63	\$1,099.50
71	\$91.63	\$1,099.50
72	\$91.63	\$1,099.50
73	\$91.63	\$1,099.50

EXHIBIT "I"

Summary of Pertinent Provisions of Sales Contract

A specimen Deposit Receipt and Sales Contract and Addendum "A" (collectively, the "Sales Contract") has been submitted to the Real Estate Commission. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE SALES CONTRACT IN FULL, because this summary is NOT A COMPLETE DESCRIPTION of its provisions. The Sales Contract, among other things, covers in more detail the following items:

1. The Sales Contract will not become a binding agreement upon Seller and Buyer unless and until: (i) Buyer has receipted for or is deemed to have receipted for the Developer's Public Report, which shall include the Developer's Public Report itself, the recorded Declaration and Bylaws, House Rules, Condominium Map, and all amendments (collectively, the "Public Report"), and a Notice of Right to Cancel Sales Contract; and (ii) Buyer has waived or is deemed to have waived Buyer's right to cancel the Sales Contract as more particularly provided in Section 514B-86 of the Act. Buyer may cancel the Sales Contract at any time up to midnight of the thirtieth (30th) day after the Public Report is delivered to Buyer. Buyer may waive Buyer's right to cancel, or shall be deemed to have waived Buyer's right to cancel, by (A) checking the waiver box on the Notice of Right to Cancel Sales Contract and delivering it to Seller, (B) letting the thirty (30) day period expire without taking any action to cancel, or (C) closing the purchase of the Unit before the cancellation period expires.

2. Buyer agrees to deliver to Seller, no later than three (3) business days after the date Seller signs the Sales Contract, written proof of Buyer's ability to pay the Total Purchase Price under the Sales Contract. Written proof shall include a pre-qualification letter based upon a full credit report. Seller will also have the right to require Buyer to give to Seller and Seller's agent a letter of credit from a bank or other financial institution acceptable to Seller securing Buyer's promises and agreements under the Sales Contract and any other information required by Seller.

3. Seller, in its sole discretion, and in addition to any other rights of cancellation or termination reserved to Seller, may elect to cancel the Sales Contract if Buyer defaults under the Sales Contract. Buyer may lose all of its deposits with Escrow and Seller. Seller may, at its option, pursue other legal remedies. If Seller defaults under the Sales Contract, Buyer shall be entitled to specific performance of the Sales Contract, or shall have the right to cancel and terminate the Sales Contract.

4. Buyer is required to prepay maintenance fees, start-up fees, closing costs and prorations as more particularly described in the Sales Contract.

5. The Sales Contract confirms that Buyer has had the opportunity to read and approve the Project Documents, including the Declaration, the Bylaws, the Condominium Map, the House Rules, the form of Unit Deed, the Escrow Agreement, and this Public Report, and all amendments and supplements to all such documents, if any. Buyer (or Buyer's lender, if any) may inspect copies of each of these documents at Seller's sales office. The Sales Contract also provides that the rights of Seller's lender with a mortgage against the Project will be superior to the rights of Buyer under the Sales Contract until the Closing Date and delivery of a signed Unit Deed to Buyer.

6. Buyer specifically acknowledges and accepts certain enumerated conditions regarding on-going development and marketing of the Project stated in the Sales Contract as well as any inconvenience or annoyance which Buyer may experience as a result of such conditions, and expressly waives any rights, claims or action which Buyer might otherwise have against Seller or third parties as a result of such circumstances.

7. After the Effective Date of the Developer's Public Report, Buyer shall have the right to rescind the Sales Contract only if there is a material change in the Project which directly, substantially and adversely affects the use or value of (a) Buyer's unit or appurtenant limited common element, or (b)

amenities of the Project available for Buyer's use. Waiver of such right is governed more specifically by the terms of the Sales Contract.

8. If Buyer cancels the Sales Contract because of Seller's default, Seller will repay to Buyer all sums paid by Buyer to the Seller or to Escrow under the Sales Contract, without interest (except that Buyer will get interest on sums held by Escrow in an interest-bearing account in favor of Buyer, if Buyer checked the appropriate box on the first page of the Sales Contract). Buyer agrees that if Seller defaults at any time, Buyer will only have the rights mentioned in the Sales Contract and that Buyer waives any other rights Buyer might otherwise have.

9. Seller shall have certain rights and remedies against Buyer in the event Buyer fails to perform any of the terms and conditions of the Sales Contract, including failure to comply with the pre-closing and closing requirements, as more particularly described in the Sales Contract, including the right to retain Buyer's deposit and the right to other actual and liquidated damages, the right to specifically enforce the Sales Contract, and the right to charge late fees on amounts past due.

10. The Sales Contract prohibits Buyer from assigning the Sales Contract.

11. The execution, delivery and recordation of Buyer's Unit Deed shall constitute the assignment by Seller to Buyer of any and all manufacturers' or dealers' warranties covering any appliances and other consumer products for their unexpired terms.

12. The General Contractor for the Project is providing a one (1) year warranty for workmanship and materials. The one year period commences from and after the date on which the City and County of Honolulu issues its certification or authorization allowing the occupancy of the Unit. Except as provided by the General Contractor's limited warranty, BUYER UNDERSTANDS AND AGREES THAT THE UNIT AND THE SINGLE UNIT LIMITED COMMON ELEMENT LAND AREA ARE BEING SOLD "AS IS, WHERE IS" WITH ALL FAULTS AND THAT SELLER MAKES NO WARRANTIES OR PROMISES OF ANY KIND, EXPRESS OR IMPLIED, ABOUT THE UNIT, THE SINGLE UNIT LIMITED COMMON ELEMENT LAND AREA, THE PROPERTY OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT), OR ABOUT ANY FURNISHINGS, FIXTURES OR ANYTHING ELSE INSTALLED, ATTACHED, AFFIXED OR OTHERWISE CONTAINED IN THE UNIT, THE SINGLE UNIT LIMITED COMMON ELEMENT LAND AREA, THE PROPERTY OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT), INCLUDING ANY WARRANTIES OR PROMISES OF MERCHANTABILITY, WORKMANLIKE CONSTRUCTION, OR FITNESS FOR A PARTICULAR USE OR PURPOSE.

13. Disputes relating to the Sales Contract or the sale of the Unit shall be resolved through mediation and arbitration.

ALL BUYERS SHOULD READ THEIR RESPECTIVE SALES CONTRACTS IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE SALES CONTRACT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE SALES CONTRACT, AND DOES NOT ALTER OR AMEND THE SALES CONTRACT IN ANY MANNER. IF ANY PROVISIONS OF THIS SUMMARY CONTRADICT THE PROVISIONS CONTAINED IN THE SALES CONTRACT IN ANY WAY, THE PROVISION OF THE SALES CONTRACT SHALL OVERRIDE THE PROVISIONS OF THIS SUMMARY.

END OF EXHIBIT "I"

EXHIBIT "J"

Summary of Pertinent Provisions of Escrow Agreement

The following is a summary of the Escrow Agreement dated May 29, 2012, entered into by and between MAKAHA OCEANVIEW ESTATES, LLC, a Hawaii limited liability company ("Seller"), and TITLE GUARANTY ESCROW SERVICES, INC., a Hawaii corporation ("Escrow").

The Escrow Agreement establishes an arrangement under which the deposits a Buyer makes under a Sales Contract will be held by a neutral party (i.e., Escrow). The Escrow Agreement, among other things, covers in more detail the following items:

1. Seller shall deliver an executed copy of each Sales Contract for the sale of a Unit and any amendments thereto to Escrow. Each Sales Contract shall be accompanied by the initial deposit required thereunder.

2. Seller shall pay Escrow monies received from Buyers under Sales Contracts covering Units in the Project. Escrow shall receive and hold in escrow and disburse funds as set forth in detail in the Escrow Agreement. Escrow shall deposit all funds so received in an account at a federally-insured interest-bearing account at a bank, savings and loan association, or trust company authorized to do business in the State. Except for specific circumstances stated in the Escrow Agreement, any interest earned on funds deposited in escrow under the Escrow Agreement shall accrue to the credit of Seller.

3. No disbursements of funds held in escrow shall be made unless and until, among other conditions, (a) an effective date for a Developer's Public Report has been issued; (b) the Buyer has been given a copy of said Public Report and all amendments, and shall have acknowledged receipt of the same or shall have been deemed to have acknowledged receipt of the same; and (c) Seller or Seller's attorney shall have delivered a written opinion to Escrow that the Buyer's sales contract has become effective.

4. A Buyer shall be entitled to a return of funds and Escrow shall pay such funds to such Buyer, together with any interest that may have accrued to the credit of Buyer, if anyone of the following has occurred: (a) Seller and Buyer shall have together requested Escrow in writing to return to Buyer the funds of Buyer held by Escrow; or (b) Seller shall have notified Escrow of Seller's exercise of the option to cancel or rescind the Sales Contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Seller; or (c) Buyer has exercised such Buyer's right to cancel or rescind the Sales Contract pursuant to the Condominium Property Act. In the event of a default by Buyer in any matter being handled by Escrow, upon certification by Seller of Seller's termination of the Sales Contract, Escrow will thereafter treat all funds of Buyer paid on account of such Buyer's Sales Contract as funds of Seller and not as funds of Buyer.

5. Except for the Sales Contract and any note and mortgage that is to be closed by the mortgagee thereof, Escrow shall promptly and diligently arrange for and supervise the execution of all documents related to the Project and shall promptly, and diligently close the transactions and perform such services as are necessary or proper therefor, in the manner established in the Escrow Agreement.

NOTE: ALL BUYERS AND PROSPECTIVE BUYERS SHOULD READ THE ESCROW AGREEMENT AND ALL AMENDMENTS, IF ANY, IN FULL AS THIS SUMMARY IS NOT ALL INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE ESCROW AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE ESCROW AGREEMENT, AND DOES NOT ALTER OR AMEND THE ESCROW AGREEMENT IN ANY MANNER.

END OF EXHIBIT "J"